



# Housing Profile: City of Snohomish

Prepared by the Alliance for  
Housing Affordability

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# Acknowledgements

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# Executive Summary

Home to 3,656 households and 9,220 residents, the City of Snohomish is known for a unique mixture of historic businesses and residences. With a lower median household income of \$53,897, the City is working to diversify and expand economic opportunities for its residents while maintaining a mix of housing that fits the full range of households' incomes and lifestyles. In addition, Snohomish faces the challenge of preserving the historic character of a number of classic neighborhoods while accommodating growth and the changing needs of future communities.

Currently, 43% of Snohomish's 3,656 households are cost burdened, meaning they spend more than 30% of their monthly income on housing. Cost burden is most challenging for households with lower incomes, who may have to sacrifice other essential needs in order to afford housing. In Snohomish, 76% of extremely low income households are cost burdened, compared to only 9% of middle income households<sup>1</sup>. Additional summary statistics are presented below.

## A Summary of the City of Snohomish by the Numbers

<b>Population</b>	9,220 <sup>1</sup>
<b>Total Households</b>	3,656 <sup>2</sup>
<b>Family<sup>3</sup> Households with Minor Children</b>	1,126
<b>Cost-Burdened Households</b>	1,588
<b>Households Earning Less than 50% AMI<sup>4</sup></b>	1,518
<b>Median Household Income</b>	\$53,897
<b>Minimum Income to Afford 2012 Median Home Sale<sup>5</sup></b>	\$54,226
<b>Total Dwellings</b>	3,965
<b>Single Family Homes, Detached or Attached</b>	2,465
<b>Multifamily Homes</b>	1,408
<b>Manufactured Homes</b>	84
<b>Section 8 Housing Choice Vouchers<sup>6</sup></b>	110
<b>Other Dedicated Subsidized Housing Units</b>	144
<b>Workforce Housing Units</b>	103
<b>Total Renter-Occupied Housing Units</b>	1,719
<b>Total Owner-Occupied Housing Units</b>	1,937
<b>Total Vacant Housing Units</b>	309

There is a nearly even division between renter- and owner-occupied dwellings in Snohomish, with 47% of occupied dwellings rented and 53% owner-occupied. 80% of owners in the City live in single family attached or detached homes, compared to 40% of renters.

<sup>1</sup> US Census Bureau; American Community Survey, 2008-2012

Overall, Snohomish households considered middle income and lower are slightly less likely to be cost burdened than similar households across the County. Cost burden also improves dramatically as income rises. While 76% of the City's very low income (30-50% of Area Median Income) renter households are considered cost burdened, only 33% of low income (51-80% AMI) renters are cost burdened. This number drops to zero for middle income renters. (96-120% AMI) For owners, the difference in cost burden between very low income and low income households is 95% to 50%.

Data on rents obtained from Dupre and Scott echoes these trends for renters, with average rents on one to two bedroom units affordable to households earning at least 80% AMI (the minimum for low income), and below-average rents affordable to that same group for units three bedrooms and larger in size. There is no evidence of market rate units of any size that are affordable to extremely low income households, though the City does feature a limited supply of rental units less than three bedrooms in size that are affordable to very low income households, however.

Some homeowners in Snohomish face financial challenges, though affordability for home ownership has improved over the last few years. In 2012, the median sale price for a home<sup>2</sup> in Snohomish was \$229,950. For a family to afford this home and not be cost burdened, an estimated minimum annual income of \$54,226 is needed. This is considered low income for families between three and six people in size. The homes sold in 2012 were affordable for the majority of low, moderate, and middle income families in Snohomish. However, while monthly ownership costs on these homes may be affordable to lower income households, there are still other possible barriers to home ownership not captured in these figures, such as lack of access to financing or a down payment. There are also other concerns for existing homeowners, like vulnerability to foreclosure.

In general, there are fewer small housing units in Snohomish than there are small households. While 62% of Snohomish households are composed of one or two people, only 47% of housing units are two bedrooms or less in size. This trend is not unique to the City, and is not as severe as in other areas. Across the County, 58% of households are one or two people in size, while only 35% of homes are two bedrooms or less in size. For those households making the minimum income to afford housing of an appropriate size for their household, living in a larger unit is likely to result in cost burden.

A lack of affordable rental housing for extremely low and very low income households is very common, as, in order to operate a property and keep rents low enough in today's housing market, some kind of financial assistance is typically required. Assistance can be ongoing, to make up the difference between 30% of tenants' income and market rents (such units are considered 'subsidized' in this report) or be provided as capital funding, reducing overall project costs and making it possible to keep rent levels down (considered 'workforce' units). Snohomish currently features 254 units of subsidized housing and 103 units of workforce housing. However, with 1,518 households earning less than 50% AMI, there is a need to increase this supply. The City is pursuing a number of strategies to address this challenge.

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2 Includes detached & attached single family homes, condominiums, and manufactured homes

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# Introduction

In Snohomish County's General Policy Plan, Housing Goal 5 states that "the cities and the county shall collaborate to report housing characteristics and needs in a timely manner for jurisdictions to conduct major comprehensive plan updates and to assess progress toward achieving CPPs on housing". Building on the County's efforts in preparing the countywide "HO-5 Report", this profile furthers this goal by providing detailed, local information on existing conditions for housing in the City of Snohomish so the City can plan effectively and knowledgeably regarding affordable housing. This profile will describe the spectrum of subsidized and market rate housing within the City of Snohomish.

Originally known as "Cadyville", Snohomish was founded around 1858 and eventually took the name of the dominant local Native American tribe in 1871. One of Puget Sound's first inland cities, Snohomish served as an early center of commerce for the region. Due to its agrarian economy, the City was not affected as severely by the Great Depression as nearby cities more reliant on timber, though it experienced decline through the 1960s and 70s like much of the rest of the region. In recent decades, the City has made efforts to preserve its historic, compact downtown core while encouraging modern business and facility development. Much of the City's newer development is in the northern portions of the city and west of State Route 9. Snohomish is dedicated to offering residents a range of quality and affordable housing choices while also preserving the historic aesthetic of the community.

Several housing-specific terms and concepts will be used throughout the profile. Household income levels will be defined by their share of "Area Median Income", or AMI. For this report, median household income for the Seattle-Bellevue HUD Metro Fair Market Rent Area (HMFA) is used for AMI because it is the measure HUD uses to administer its programs, and is the predominant metric used for the purpose of assessing housing affordability. 2012 Seattle-Bellevue HMFA was \$88,000. All of Snohomish County is included in this HMFA. The affordable housing field defines income levels as they relate to AMI. These are:

- Extremely Low Income - up to 30% AMI
- Very Low Income - up to 50% AMI
- Low Income - up to 80% AMI
- Moderate Income - up to 95% AMI
- Middle Income - up to 120% AMI

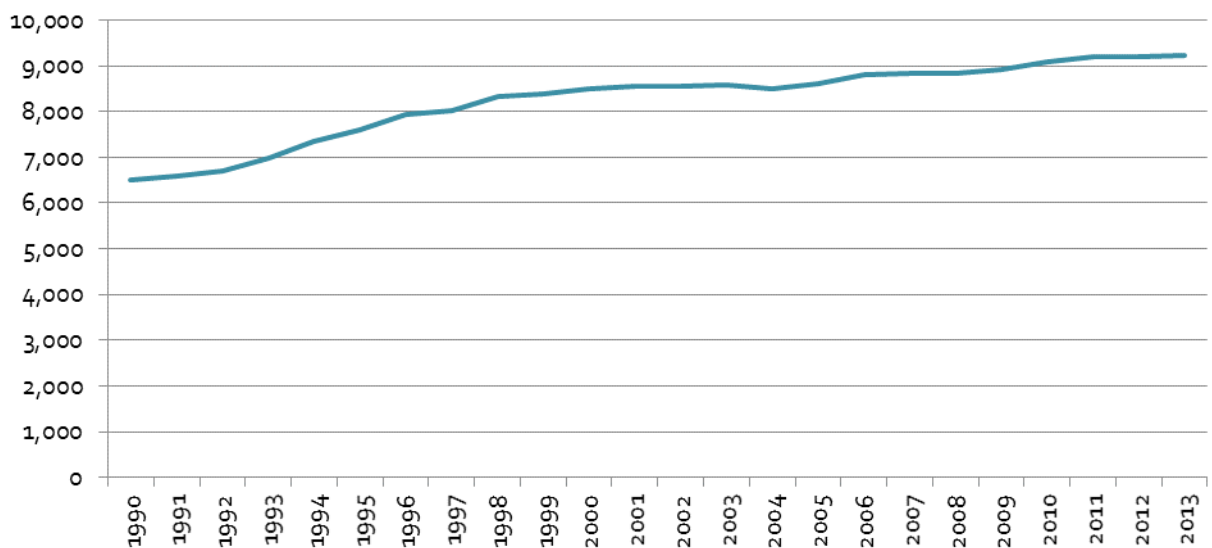
When a household spends more than 30% of their income on housing, they are considered to be "cost burdened", and, if lower income, will likely have to sacrifice spending on other essentials like food and medical care. In addition to mortgage and rent payments, housing costs include utilities, home insurance, and property taxes. "Cost burden" is used as a benchmark to evaluate housing affordability.

# Population and Community

In 2013, the City of Snohomish was home to an estimated 9,220 people, representing an 8.5% increase over its 2000 population of 8,494<sup>3</sup>. There were a number of annexations during this period. The Snohomish County Countywide Planning Policies assume a higher growth for the City moving forward, with a population target of 12,289 residents within current city limits by 2035. Accommodating this population will require an additional 1,310 housing units over the City's 2010 total. Growth in the unincorporated Urban Growth Area (UGA) is expected to be even more dramatic, with population rising from 1,358 in 2010 to 2,204 in 2035. This increase requires an additional 315 housing units, making a total of 1,625 new units required across the City and UGA<sup>4</sup>.

According to Snohomish County's 2012 Buildable Lands Report, there is sufficient vacant and redevelopable land to accommodate this growth within the City and unincorporated UGA. For multifamily capacity, this potential is overwhelmingly composed of redevelopable parcels, while single family capacity is more evenly divided between redevelopable, vacant, and pending parcels<sup>5</sup>.

Figure 1.1. Total Population, City of Snohomish, 1990 - 2013



Source: Washington State Office of Financial Management, 2013

The 2012<sup>6</sup> population includes 3,656 households within the city limits. Of these, 2,307, or 63 %, are family<sup>7</sup> households, and 49% of those families have children living at home. In Snohomish

3 Washington State Office of Financial Management, 2013

4 Snohomish County Tomorrow Planning Advisory Committee, "Housing Characteristics and Needs in Snohomish County", 2014

5 Snohomish County Tomorrow, "2012 Buildable Lands Report for Snohomish County", 2013

6 2012 data is used as, at time of writing, it is the most recent ACS 5-year data available

7 This is based on the US Census Bureau's definition of family, which "consists of two or more people (one of



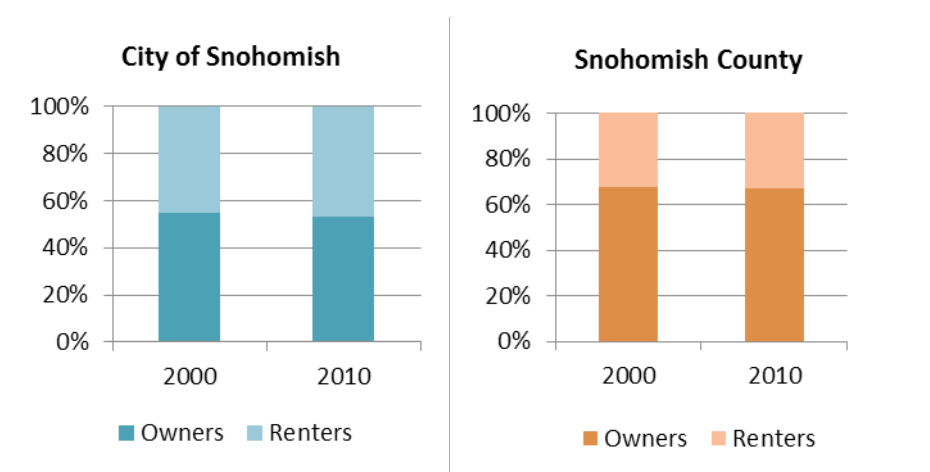
County overall, 68% of households are families, and 48% of those families have children. 16% of Snohomish citizens are disabled, compared to 11% across the County. There is a bigger difference when only considering children – 12% of the City’s population under 18 is disabled, compared to only 3% across the County.

The average family size in the City is 3.04, compared to 3.12 for the County. When comparing all households, the City is still smaller at an average size of 2.41 compared to 2.62 for the County. Renter households are smaller than owner households in the City, with an average size of 2.01 versus 2.76. While owner household sizes are comparable between the City and County, the City’s renter households tend to be smaller, with an average size of 2.01 compared to 2.44 across the County<sup>8</sup>.

The City of Snohomish has a lower portion of foreign-born residents than the County as a whole - 5% foreign born versus 14%. 32% of the City’s foreign-born population was born in Asia, 29% in Latin America and 25% in Europe. Of the 7% of the City’s population who speak another language at home, the majority speak Spanish<sup>9</sup>.

As shown in Figure 1.2, the City has a higher share of renter households – 47% in 2010 compared to 33% for the County. This share also climbed by 2% from 2000 to 2010, compared to 0.8% growth for the County. Vacancy is also higher in the City. While vacancy for owned housing units is comparable at 2.2% for the City and 1.8% for the County, vacancy for rented units is much higher at 6.4% compared to 4.7%. The overall local vacancy rate is 7.8%, compared to 6.4% across the County.<sup>10</sup> The overall vacancy rate is much higher because it includes dwellings classified as “other vacant” by the Census, which account for a third of vacant dwellings in Snohomish. A few of the reasons for a home to be considered “other vacant” include foreclosure, being made ready for sale or rent, being under renovation, being condemned, and more.

Figure 1.2. Population Share by Housing Tenure<sup>11</sup>, City of Snohomish & Snohomish County



Source: US Census Bureau, 2000; US Census Bureau, 2010

2012 HMFA AMI for Seattle-Bellevue, which is referenced in this report as a standard for AMI, is

whom is the householder) related by birth, marriage, or adoption residing in the same housing unit.”

8 US Census Bureau; American Community Survey, 2008-2012

9 Ibid

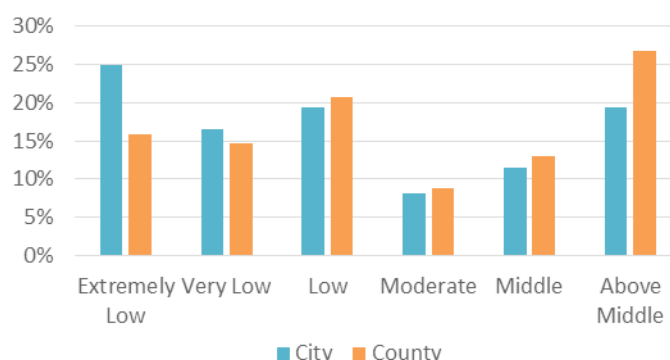
10 Ibid

11 In this report, “tenure” is used to differentiate between homeowners and renters

\$88,000, higher than both the County's overall 2012 median income of \$68,338 and the City's median income of \$53,897. There are economic segments of the City's population that could be at risk of housing burden. Compared to HUD HMFA AMI and based on 2012 American Community Survey (ACS) 5-year estimates:

- 912 households, or 25% of Snohomish's total, are considered to be extremely low income, earning less than 30% of area median income (AMI),
- 606, or 17%, are considered very low income, earning between 30 and 50% of AMI,
- 709, or 19%, are considered low income, earning between 50 and 80% of AMI, and
- 300, or 8%, are considered moderate income, earning between 80 and 90% of AMI

Figure 1.3. Share of Total Households by Income Level, City of Snohomish and Snohomish County



Source: US Census Bureau; American Community Survey 2008-2012

A comparison of income distribution in the City and County is presented graphically in Figure 1.3. Note that these percentages are not adjusted for household size due to data constraints. Here, a household consisting of two adults with an income level equal to another household consisting of two adults and three children would both be placed at the same percentage of AMI, even though the larger family would be more financially constrained. HUD's AMI calculations include ranges for household sizes of 1-8 people. In this report, sensitivity for household size is used wherever data permits, as detailed in Appendix F.

Maps 1.8 and 1.9 show the percentage of renter and owner households in each census tract that are cost burdened, meaning that they spend more than 30% of their income on housing. Overall, 44% of owner households and 55% of renter households in Snohomish are cost burdened. The share of cost burdened owner households ranges from 9.1% to 63.7% per tract. For renter households, the share of cost burden ranges from 0% to 100% per tract. There is only one tract where all renters are cost burdened, and 78.9% of renters are cost burdened in the second highest tract.<sup>12</sup>

Table 1.1, on the following page, shows the percentage of each income group that is cost burdened in the City and County by tenure. Generally, Snohomish homeowners are less likely to be cost burdened, with the exception of very low income owners. This contrasts directly with the City's very low income renters – while 76% are still cost burdened, this is lower than the rate for the County overall, which is 85%. The City's renters are otherwise fairly close to the County in terms of cost burden. The most significant divergence is for the City's households with moderate and middle incomes, relatively fewer of which are cost burdened regardless of tenure.

<sup>12</sup> Ibid.

Table 1.1. Cost Burden by Income Level and Tenure, City of Snohomish & Snohomish County

	Renters		Owners		All	
	City of Snohomish	Snohomish County	City of Snohomish	Snohomish County	City of Snohomish	Snohomish County
<b>Extremely Low</b>	83%	80%	56%	73%	76%	78%
<b>Very Low</b>	76%	85%	95%	80%	62%	64%
<b>Low</b>	33%	27%	50%	59%	51%	54%
<b>Moderate</b>	13%	15%	31%	44%	23%	37%
<b>Middle</b>	0%	5%	15%	32%	9%	25%

Source: US Census Bureau; American Community Survey, 2008-2012

HUD's Location Affordability Index uses a number of variables to estimate the affordability of a location including both housing and transportation costs. According to the index, a "regional typical household<sup>13</sup>" could expect to spend 48% of their income on housing and transportation if they rent or own in the City, compared to 49% overall for the County. HUD proposes 45% as a targeted maximum percentage of income to be spent on housing and transportation for affordability<sup>14</sup>.

Housing and transportation affordability estimates for a number of different household types are presented in Figure 1.4, below. As shown, ownership is generally less likely to be affordable, regardless of location. Owners in the City could expect to spend slightly more on transportation and housing than County owners and the City's renters could expect to spend slightly less.

Figure 1.4. Housing and Transportation Costs as an Estimated Share of Income, City of Snohomish and Snohomish County



Source: US Department of Housing & Urban Development; Location Affordability Portal, 2013

The 2012 unemployment rate was 5% in Snohomish, compared to 5.9% for the County. For employed local residents, the mean commute time is 29 minutes, which is the same as the County average. 80% of city workers drive to work alone compared with 74% of all County workers. At 33% of the employed

13 Defined as a household with average household size, median income, and average number of commuters in Seattle-Bellevue HUD HMFA

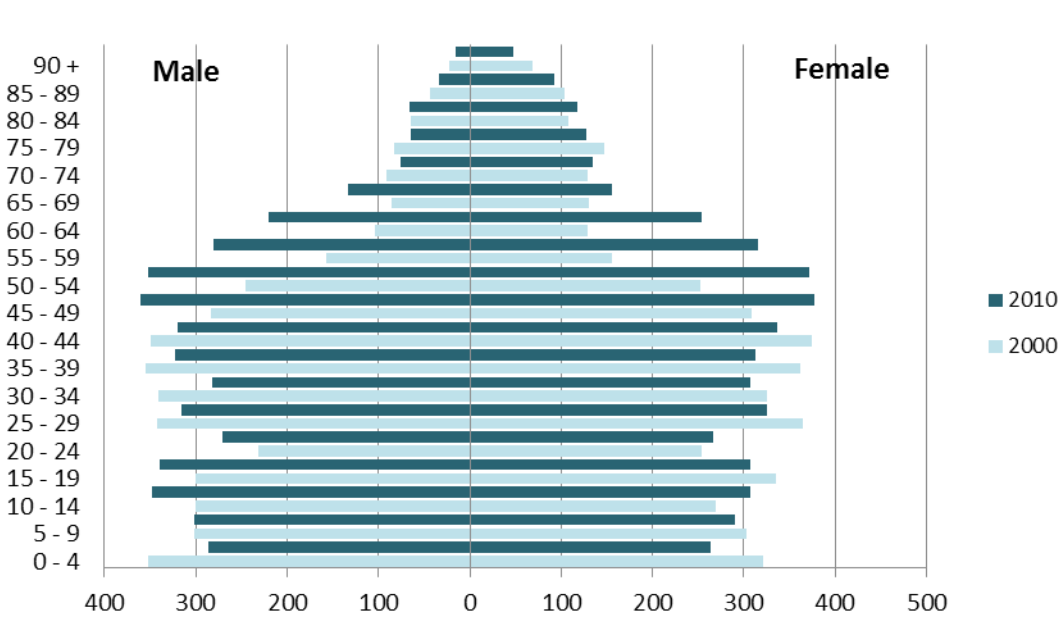
14 US Department of Housing & Urban Development; Location Affordability Portal, 2013

population, the most common occupations for the City's residents are in management, business, science and arts occupations followed by sales and office occupations with 25% of the employed population. The two most dominant industries employing city residents are education, healthcare and social assistance, with 21% of workers, and manufacturing, with 15% of workers.<sup>15</sup>

There are 1.3 jobs for every occupied housing unit in Snohomish, compared with 1.23 employed people for every occupied housing unit. When including vacant housing units, there are 1.2 local jobs for every unit. If every worker in the City only had one job and worked locally, there would still be jobs available for nonresident employment. Snohomish is one of the few cities in the County with a surplus of jobs compared to housing. Countywide, there are 0.94 jobs per occupied housing unit and to 1.31 employed people per housing unit. Despite the high number of local jobs, however, only 21% of the City's employed population works in Snohomish.<sup>16</sup>

The number of employees commuting to destinations outside the City may be accounted for by differences between the jobs held by people who live in Snohomish and the jobs located in the City. According to the Puget Sound Regional Council, Snohomish is home to 4,741 jobs. Most of these are in retail, with 1,149 jobs, followed by accommodation and food services, with 707 jobs, health care and social assistance, with 564 jobs, and education, with 545 jobs.<sup>17</sup>

Figure 1.5. Population Pyramid, City of Snohomish, 2000 - 2010



Source: US Census Bureau, 2000; US Census Bureau, 2010

The shape of the City's population pyramid, shown in Figure 1.5, offers additional insight into its housing needs and how they may be changing. The median age of City's population is increasing. Over the ten-year period from 2000 to 2010, the demographic profile of the City experienced a moderate reduction in number of residents in their thirties and early forties, and a significant increase

15 Ibid.

16 US Census; American Community Survey, 2008-2012; Puget Sound Regional Council; Covered Employment Estimates, 2012

17 Puget Sound Regional Council; Covered Employment Estimates, 2012

in the age cohorts from 45 to 70 years. This will be an important consideration for planning housing and services if the City's residents who are at or nearing retirement desire to age in place.

## Household Profiles

These are the stories of several actual Snohomish City households who receive some kind of housing assistance from the Housing Authority of Snohomish County. All names and many nonessential details have been changed to respect their privacy.

### Angela

Angela is a disabled middle aged woman who lives alone in a studio apartment in Snohomish. Social Security is Angela's sole source of income. She makes \$8,360 a year, or approximately \$730 per month.

#### *With Assistance*

With her voucher, Angela pays \$209 in rent with utilities included for her studio apartment. This leaves her with \$529 per month.

#### *Without Assistance*

Without a voucher, Angela would pay \$605 in rent and utilities for the same apartment. This would leave her with \$125 per month for food and other essentials. Without a voucher, Angela would be spending 83% of her income on rent. The most affordable studio or one bedroom unit identified in Dupre and Scott's 2013 sample rented for \$712, including utilities, so Angela is unlikely to find a unit that is as affordable as the one she currently rents in the open market. Angela could find a shared living situation as a cheaper alternative to living by herself, however, at the time of this report, there were few shared room rentals advertised in Snohomish and those that were ranged between \$600 and \$700 a month. Even if Angela were able to rent the cheapest room advertised, without a voucher and without access to friends or relatives to help, Angela would not have enough left over money to support herself with her current income. Her disability may make it especially challenging to find appropriate shared housing.

### Jill

Jill is a young mother who lives in a three bedroom apartment with her two children. She is currently unemployed and receives support from DSHS that totals \$478 per month, or \$5,736 per year.

#### *With Assistance*

With her voucher, Jill pays \$22 plus \$97 in utilities per month. This leaves Jill with just \$359 per month to support herself and her children.

#### *Without Assistance*

The market rent for Jill's unit is \$1,496 including utilities, much more than she makes in a month. If Jill did not have a voucher and had to move, the average rent for three bedroom apartments with utilities included in Snohomish is \$1,705 - much more expensive than her current unit. Even if she were to downsize, the average two bedroom rent is \$1,077. If Jill were able to secure the most affordable advertised two bedroom unit, which rented for \$817 altogether, she would need a full time job paying at least \$15.71 per hour, or \$32,680 per year. If she started back working at minimum wage, she would have to work at least 67 hours per week.<sup>18</sup> Again, this is to afford the most affordable two bedroom unit, which may not be available at the time she needs to move. In addition, she may face competition from households with higher incomes and stronger employment history that are choosing to pay less for their

housing.

### **Craig**

Craig lives in a two bedroom apartment with his two grandchildren. He is a disabled veteran and receives pension and social security income each month totaling \$1,861, or \$22,332 annually.

#### *With Assistance*

With his voucher, Craig pays \$430 in rent plus \$80 in utilities. This leaves Craig and his family with \$1,351 per month for other expenses.

#### *Without Assistance*

If Craig did not receive a voucher, rent and utilities for his unit would be \$980 per month. Without assistance, this would leave Craig and his family with \$881 per month to spend on food, bills and essentials. At this rate, he would be devoting 53% of his income to rent, and would be considered severely cost burdened by HUD's standards. Rent for Craig's current unit is on the low end of the range for two bedroom units in Snohomish, so it is not likely that he would be able to move and save much money - at the time of this report, two bedroom, one bathroom units range from \$852 to \$1,641 per month in Snohomish<sup>19</sup>. If Craig were to rent the most affordable apartment, he would still be spending approximately 46% of his income on housing.

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19 Dupre and Scott, 2013

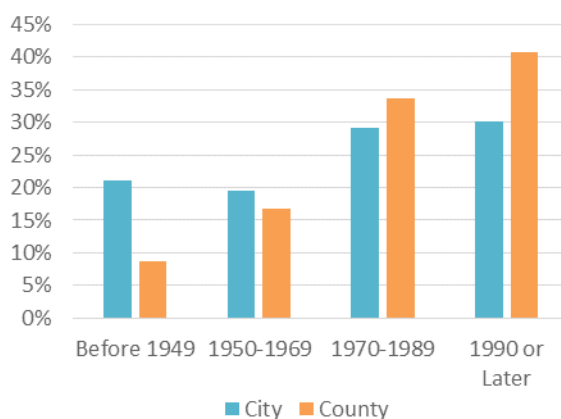


# Existing Housing Stock

The City of Snohomish's housing stock is diverse, from historic 19<sup>th</sup> century structures to contemporary multifamily complexes. While there are historic buildings throughout the city, they are concentrated most heavily in the southern part of the City, with more recent development primarily in the northern and western areas. As shown in Figure 2.1, 19% of the City's dwellings were built before 1939, but there is a good mix of housing from later decades, with 22% built between 1940 and 1969, 29% between 1970 and 1989, and 30% from 1990 to present. With the exception of well-restored historic homes that may command a high value, homes typically become more affordable as they age, so a housing supply that is diverse in 'life cycle' helps support a mixture of incomes. However, at 12.8%, the increase in average residence value from 2013-2014 was the highest of any city in Snohomish County. The City's 2014 average residence value, at \$228,200, is still lower than the Snohomish County average, \$244,600.<sup>20</sup>

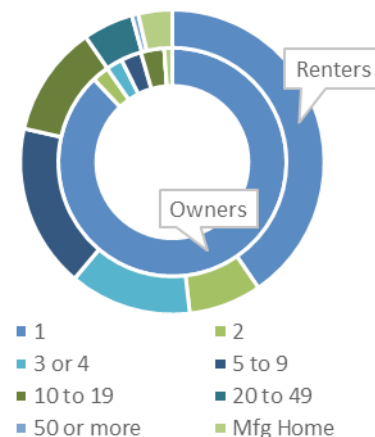
62% of the City's dwellings are detached or attached single family homes. The City's multifamily dwellings are spread across the spectrum, from duplexes to apartment buildings. Figure 2.2 shows the share of renters and owners in each type of housing. Overall, 47% of occupied units are rented while 53% are owner-occupied. 88% of all owners live in single family attached or detached units, while 50% of renters live in single-family attached or detached units. 47% of the City's dwellings are two bedrooms or fewer in size, compared to only 35% across the County. There is still a possible need for more small units, as 62% of Snohomish households are one or two people in size. There could also be further demand for two bedroom units from three- and four-person households.<sup>21</sup>

Figure 2.1. Age Distribution of Housing Stock, City and County



Source: US Census Bureau; American Community Survey 2008 - 2012

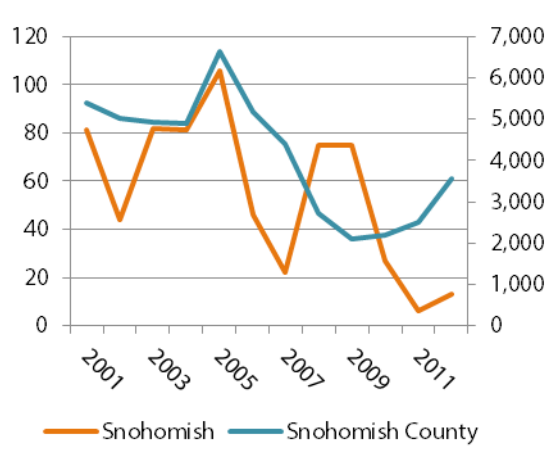
Figure 2.2. Units in Structure by Tenure, City of Snohomish



Source: US Census Bureau; American Community Survey, 2008 - 2012

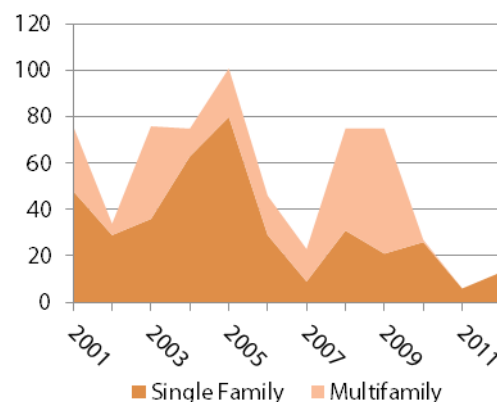
<sup>20</sup> Snohomish County Assessor, "Snohomish County Assessor's Annual Report for 2014 Taxes", 2014  
<sup>21</sup> US Census Bureau; American Community Survey, 2008-2012

Figure 2.3. Net New Residential Units, City of Snohomish and Snohomish County



Source: Puget Sound Regional Council, 2012

Figure 2.4. New Permits by Type, City of Snohomish



Source: Puget Sound Regional Council, 2012

Figures 2.3 and 2.4 provide information on new construction in the City in recent years. Figure 2.3 shows the total number of net new residential units permitted per year from 2001 to 2012 for both the City and County, with the City on the left axis and the County on the right. Figure 2.3 shows the share of the City's newly permitted units composed of single- and multi-family units. As shown in Figure 2.3, residential permits peaked in 2005 during this period in both the City and the County. The City also saw a secondary peak largely composed of multifamily development from 2008 – 2009, a divergence from the County overall, where permits were bottoming out during the same period. Snohomish saw another steep drop after the secondary peak, and, by 2012, another uptick.

For the purposes of this report, the City's housing stock is divided into subsidized rental units, workforce rental units, market rate rental units (both single- and multi-family), and home ownership.

**Subsidized rental units** are targeted toward households with the lowest incomes, typically less than 30% AMI. Populations targeted for subsidized rental units often include the disabled, elderly, and other populations living on fixed incomes with special needs. A subsidized property is one that receives funding, perhaps rental assistance or an operating subsidy, to insure that its residents pay rents that are affordable for their income level. Some properties only apply their subsidy to select units. It is also common for subsidized units to be restricted to certain groups like families, the elderly, or homeless.

**Workforce rental units** are targeted to working households that still cannot afford market rents. Workforce rental units and subsidized rental units are both considered "assisted", but differ in several areas. The key difference between subsidized and workforce units is that workforce units have a subsidy "built in" through the use of special financing methods and other tools, allowing (and typically requiring) the landlord to charge less for rent. An example of this would be when a private investor benefits from low income housing tax credits when building a new residential development. In exchange for the tax credit savings, the property owner would have to restrict a certain number of units to a certain income level for a

Table 2.1. Assisted Units by Income Level Served, City of Snohomish & UGA

<b>Extremely Low</b>	232
<b>Very Low</b>	133
<b>Low</b>	2
<b>Moderate</b>	0

Source: HASCO, 2014

certain period of time. When the owner is a for-profit entity, this often means that rents on restricted units will become market rate units when the period of restriction has ended. While nonprofit owners may also utilize workforce tools for capital funding, they are more likely to preserve restrictions on units longer than required. The distribution of Snohomish's assisted units, both subsidized and workforce, by income level served is presented in Table 2.1, on the previous page. This includes both the incorporated area and UGA.

**Market rate rental units** are simply the stock of all housing units available for rent in the open market. These are units that are privately owned and whose rents are determined by market supply and demand pressures. A market rate rental unit can also be a subsidized rental unit, as is the case with the Federal Section 8 Housing Choice Voucher (HCV) Program. Section 8 vouchers can be used to rent any unit, as detailed below. Finally, home ownership includes all single family homes for sale.

## Subsidized Housing Units

Snohomish features 254 units of subsidized housing with a range of rent subsidy sources including Section 8 Housing Choice Vouchers (HCVs), Section 8 Project-Based Vouchers, USDA Rental Assistance, HUD Section 202 Rental Assistance, and federally-subsidized public housing. As of February 2014, there were 110 HCVs in use in Snohomish administered by the Housing Authority of Snohomish County (HASCO)<sup>22</sup>. The remaining 144 units of subsidized housing are distributed among eight properties, all listed in Appendix B. Table 2.2 shows the distribution of all subsidized units by funding source.

Families making up to 50% of AMI are eligible for Section 8 housing vouchers, though 75% of these vouchers are limited to those making no more than 30% of AMI. Public Housing Authorities (PHAs) receive federal funds from the US Department of Housing and Urban Development (HUD) to administer the HCV program. HUD sets Fair Market Rents (FMRs) annually and PHAs determine their individual payment standards (a percentage of FMR) by unit bedroom size. The tenant identifies a unit, then the PHA inspects the unit to make sure it meets federal Housing Quality Standards and determines if the asked rent is reasonable. If the unit is approved, the tenant pays rent equal to 30-40% of their income, and the PHA pays the difference directly to the landlord. While the voucher amount is set up so that a family does not need to spend more than 30% of their income on housing, including an allowance for utilities, a

family may choose to spend up to 40% of their income on housing. This happens most often when the family chooses a housing unit that is larger than the size approved for their voucher. The two PHAs that administer the HCV program in Snohomish County are HASCO and the Everett Housing Authority (EHA). Vouchers issued by both PHAs can be used in Snohomish. A voucher can be used on a workforce unit, but this is not currently the case with any of HASCO's Snohomish voucher holders.

Because the number of vouchers a PHA can distribute is limited by the amount of federal funding they receive, the wait for a new applicant to receive an HCV can be extremely long and is usually dependent on existing voucher holders leaving the program. Until recently, the wait to receive an HCV from

Table 2.2. Subsidized Units by Funding Source, City of Snohomish and UGA

<b>Section 8 HCV</b>	110
<b>Public Housing</b>	15
<b>USDA Rental Assistance</b>	67
<b>HUD Supportive Housing</b>	4
<b>HUD Project-Based Voucher</b>	28
<b>HUD Project-Based Section 8</b>	30

Source: HASCO, 2014

HASCO had been about six years. Federal funding for the HCV program was frozen during the 2013 budget sequester, at which time HASCO closed its waitlist.

## Workforce Housing

Assisted affordable workforce multifamily rental housing are privately owned properties that received some form of one-time subsidy in exchange for affordability restrictions. These subsidies can include tax-exempt bonds, low income housing tax credits, various forms of grants, and more.

There are four properties in Snohomish City with dedicated workforce housing, all listed in Appendix B, with 103 total units of workforce housing. These properties were all developed by the Snohomish Affordable Housing Group, a local nonprofit developer that only works in the City of Snohomish, and have rents set to be affordable to very low income households, which is lower than what is typical with workforce housing. These units all benefited from tax exempt bonds, and 21 are dedicated to seniors. In addition to having low overhead and administrative costs, the Group benefits from a real estate tax exemption and also works closely with the City, which has provided affordable long term land leases for development, waived fees, and provided other support.

## Market Rate Multifamily Rental Units

There are an estimated 1,719 occupied units of rental housing in Snohomish, from single family homes to large multifamily complexes. Table 2.3 summarizes ACS data on the number of units available at certain rent levels by the number of bedrooms. No evidence was found of any market rents below \$600, despite ACS data to the contrary. This could be because the ACS Sample may include subsidized units and less formal rent arrangements – renting rooms or mother-in-law suites in single family homes, renting from family members – that are more affordable. ACS rent data also does not include utility allowances.

Table 2.3. Rents by Unit Size and Price, City of Snohomish

	No Bedrooms	1 Bedroom Units	2 Bedroom Units	3+ Bedroom Units
<b>Less than \$200</b>	0	28	0	0
<b>\$200 to \$299</b>	0	67	0	0
<b>\$300 to \$499</b>	22	40	36	0
<b>\$500 to \$749</b>	35	157	127	0
<b>\$750 to \$999</b>	10	86	282	17
<b>\$1,000 or more</b>	0	12	259	454

Source: American Community Survey, 2008 – 2012

To provide a better idea of what a household looking for a home today could expect to pay in rent and utilities in the City of Snohomish and its UGA, rent data was obtained from Dupre and Scott. This data, which includes both multifamily and single family rental units, is summarized in Table 2.4, on the following page, and presented in full in Appendix A. Table 2.4 lists the minimum full time wage to afford each average rent in hourly and annual terms as well as the number of hours one would have to work per week earning Washington State's minimum wage to afford the unit.

Table 2.5 shows the affordability distribution of average rents in Snohomish City by size. In this table, "Yes" means that the average rent is affordable to a household at that income level, adjusting for

Table 2.4. Average Rent and Affordability by Size, City of Snohomish and UGA

	Average Rent (With Utilities)	Minimum Hourly Wage	Minimum Annual Wage	Hours/Week at Min. Wage	Range
<b>Studio</b>	No Data	n/a	n/a	n/a	No Data
<b>1 Bed</b>	\$849	\$16.33	\$33,960	70	\$712-\$1,121
<b>2 Bed</b>	\$1,077	\$20.71	\$43,080	89	\$817-\$1,641
<b>3 Bed</b>	\$1,705	\$32.79	\$68,200	141	\$1,160-\$2,220
<b>4 Bed</b>	\$2,165	\$41.63	\$86,600	179	\$1,542-\$2,547
<b>5 Bed</b>	\$2,172	\$41.77	\$86,880	179	\$1,771-\$3,176

Source: Dupre & Scott, 2013; National Low Income Housing Coalition, 2013

household size, “Limited” means that the average rent is not affordable but there are lower-end affordable units, and “No” means that the entire rent range is not affordable. As shown, extremely low income families will not be able to afford a market rental unit of any size, while middle and moderate income families can afford the average rental rates for any size unit. Low income families in Snohomish City can generally afford smaller units, but have limited affordability with larger units. Very low income families have limited affordability with smaller units and cannot afford larger units. Again, this is adjusted for household size.

Table 2.5. Distribution of Rent Affordability by Size

	1 Bed	2 Bed	3 Bed	4 Bed	5 Bed
<b>Extremely Low</b>	No	No	No	No	No
<b>Very Low</b>	Limited	Limited	No	No	No
<b>Low</b>	Yes	Yes	Limited	Limited	Limited
<b>Moderate</b>	Yes	Yes	Yes	Yes	Yes
<b>Middle</b>	Yes	Yes	Yes	Yes	Yes

Source: AHA Staff; Dupre and Scott, 2013

The difference in minimum required income between single- and multifamily units is shown in Table 2.6. Multifamily units tend to be smaller and more affordable than single family units, which is a typical trend. While two bedroom multifamily average rents are higher than average one bedroom rents, the minimum income level is actually lower – this is because the one bedroom rent is only compared to income levels for households one-two people in size, while two bedroom rents are compared to households two-four people in size. The average affordable maximum housing cost for a very low

Table 2.6. Average Rent by Size, Single- and Multifamily

	Multifamily Average Rent	Minimum Income	Single Family Average Rent	Minimum Income
<b>1 Bed</b>	\$839.70	Low	\$946.00	Low
<b>2 Bed/1 Ba</b>	\$935.73	Very Low	\$1,338.50	Low
<b>2 Bed/2 Ba</b>	\$950.67	Very Low	\$1,441.00	Low
<b>3 Bed/1 Ba</b>	No Data	n/a	\$1,617.14	Low
<b>3 Bed/2 Ba</b>	\$1,324.67	Low	\$1,797.05	Moderate
<b>4 Bed</b>	No Data	n/a	\$2,165.00	Moderate
<b>5+ Bed</b>	No Data	n/a	\$2,172.00	Moderate

Source: Dupre and Scott, 2013

income household two-four people in size is \$976, so, being so close to that cutoff, two-person households will require at least low income to afford these rents.

Even accounting for the fact that utility allowances were added to the Dupre and Scott data, the range of rents per Dupre and Scott is generally higher than that reported by the ACS. Again, this could be explained by the ACS sample including subsidized units and informal rent arrangements. While ACS data is important as it shows what Snohomish renters are actually paying, it does not give an accurate indication of what a typical renter searching for a market rate unit can expect to pay.

## Home Ownership

Between 2008 and 2012, 58% of homes sold in Snohomish were three bedrooms in size. 20% were four bedrooms, meaning that three and four bedroom homes represented 78% of sales. This includes freestanding single family homes, common wall single family homes (townhouses), manufactured homes, and condominiums<sup>23</sup>. The next largest market segment are two bedroom homes, with 10% of sales, followed by homes classified as having zero bedrooms at 5%. (These “zero bedroom” units are typically manufactured homes.)

In 2012, the median sale price for a single family home in Snohomish was \$229,950. Assuming a 20% down payment and using average rates of interest, property taxes, utilities, and insurance, the estimated monthly ownership cost for this home would be \$1,356. For a family to afford this payment without being cost burdened, they would require an annual income of at least \$54,226, just above City median income but below County and HMFA median income. This is considered low income for a family of three to six individuals.

Appendix C provides high level statistics on sales of single family homes from 2008 to 2012 as well the minimum income necessary to afford the median home by year. The median sale price dropped by 33% from 2008 to 2011, then rose to a level 25% below 2008 in 2012. This is a typical trend for the recession and early recovery in Snohomish County. During this period the number of sales actually bottomed in 2009, peaked in 2010, and settled to a level in 2011 and 2012 that was still higher than 2008-2009.

Table 2.7 lists the percentage of 2012 home sales that are affordable to each income level by home size. “Not affordable” means that the minimum income required is higher than the upper cutoff for middle income. All of the percentages specify the portion of homes of that size that someone in the particular income group could afford, adjusting for household size as detailed in Appendix E.

Table 2.7. Affordable Home Sales by Size, 2012

Bedrooms	Extremely Low	Very Low	Low	Moderate	Middle	Not Affordable	Total Sales
0	75%	100%	100%	100%	100%	0%	8
1-2	0%	43%	86%	100%	100%	0%	14
3	1%	22%	71%	91%	97%	3%	69
4	3%	26%	77%	97%	100%	0%	31
5+	0%	100%	100%	100%	100%	0%	1

Source: Snohomish County Assessor, 2014

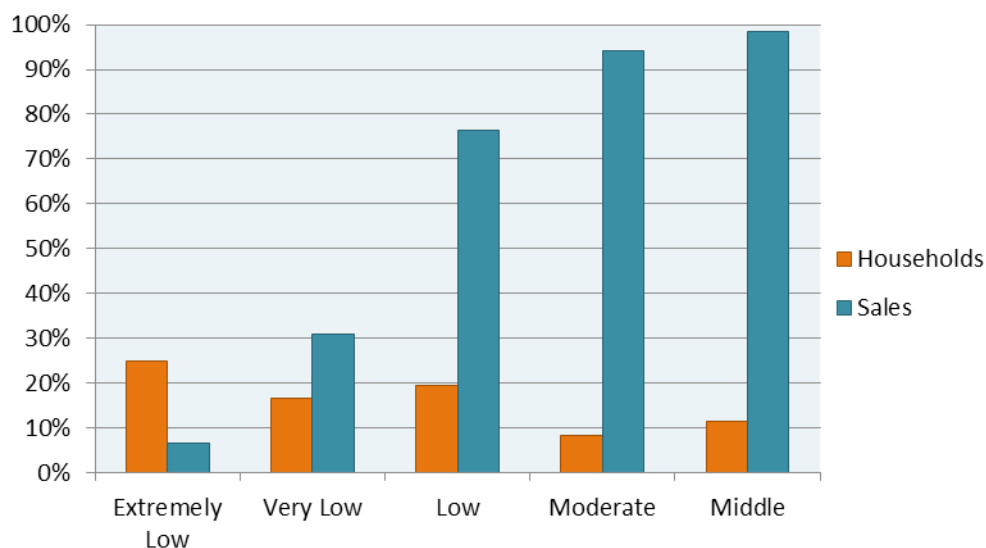
The “affordability gap” describes situations where there are more households at a given income level

<sup>23</sup> Snohomish County property use codes 111, 112, 116, 117, 118, 119, 141, 142, 143



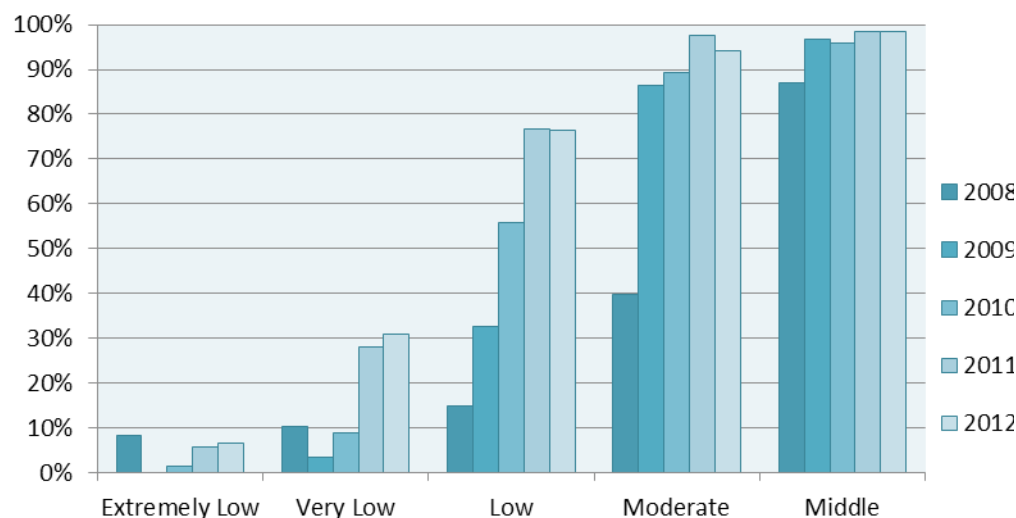
than there are housing options affordable to those households. Figure 2.3 displays the percentage of households in Snohomish at each income level as well as the percentage of 2012 home sales that each income level could afford to purchase, while Figure 2.4 shows how the percentage of sales affordable to each income level has changed from 2008 to 2012. As shown, there were plenty of sales theoretically affordable for households earning at least 80% AMI, which is the minimum income recommended for home ownership. There is also abundant supply for the City's low income households, though home ownership may only be a good choice for certain households in this group.

Figure 2.3. 2012 Home Sale Affordability Gap



Source: US Census Bureau; American Community Survey, 2008-2012; Snohomish County Assessor, 2014

Figure 2.4. Home Sale Affordability, 2008-2012



Source: Snohomish County Assessor, 2014

As shown in Figure 2.4, there was a dramatic increase in the share of sales affordable to low and moderate income households from 2008 to 2012, with a slight downturn in 2012. As the housing market continues to improve, this downward movement is likely to continue. Supporting moderate income homeowners may become an important goal, depending on how rapidly the market improves. Support goals include preventing foreclosure, expanding access to financing, and providing education for prospective homeowners. Again, while home ownership may be a good option for certain low income households (those earning between 50 and 80% AMI), it is considered the exception rather than the rule.

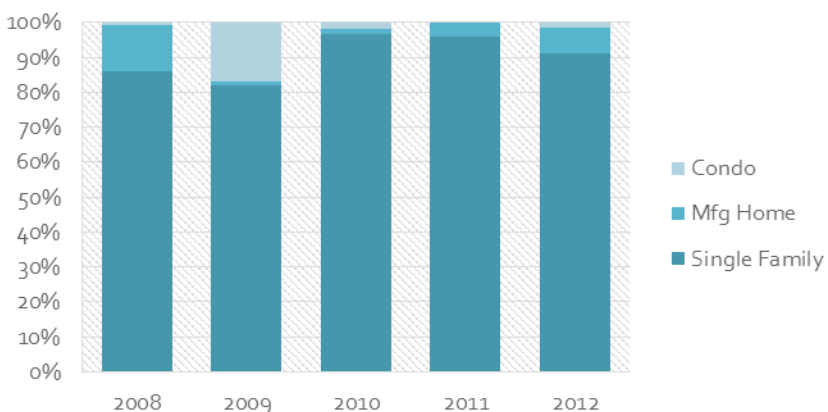
For those households where ownership is a good fit, HomeSight, is a local nonprofit Community Development Corporation, is one example of how an organization can that works with lower-income households in Snohomish and King County to overcome barriers to ownership like financing for down payments. HomeSight offers a homebuyer education class to first-time homebuyers in Snohomish and King Counties. Upon completion of the class, homebuyers undergo a financial assessment where they can qualify for purchase assistance options that include low down payments and mortgage rates. HomeSight also provides services for homeowners facing foreclosure, including counseling and rescue loans. Local governments can partner with organizations like HomeSight .

While these measures consider the ongoing affordability of home ownership in terms of monthly payments, there are other important factors not easily measured. While a 20% down payment is assumed in calculating the monthly debt service, the question of whether or not a household can obtain the funds necessary for a down payment is another important question, particularly for lower income households. This also assumes that the household could be approved for a mortgage at an average interest rate, despite the fact that the mortgage market has tightened. Even assuming all these things are possible, due to ongoing repair and maintenance costs, home ownership may not be a good choice for many lower income households. For all these reasons, home ownership is generally targeted for households earning at least 80% AMI.

Further, many of the most affordable sales were likely only so affordable because they were foreclosed homes sold by banks. 1509 Fourth Street, for example, is a two bedroom home that HUD sold for \$85,500 in 2012. At that price, a household with a minimum income of \$25,000 could afford the monthly debt service of around \$625. This same home sold for \$228,000 in 2006, well out of reach to the household with the minimum income necessary to afford it in 2012. While low priced foreclosed homes can put home ownership within reach for more households, this is accomplished at the expense of previously displaced homeowners. Additionally, these sales contribute to ongoing uncertainty about market values. Low income home buyers could also become cost burdened by higher property taxes on these “bargain” homes.

Figure 2.5, on the following page, shows how sales have been divided between single family homes, condominiums, and mobile homes over time. As shown, single family homes are dominant, while condominium sales surge in 2009 and manufactured home sales expanded from 2010 to 2012.

Figure 2.5. Home Sales by Type, 2008-2012



Source: Snohomish County Assessor

Table 2.8 shows how many sales of each type were affordable to each income level in 2012. Manufactured homes are most likely to be affordable, though there is a significant supply of single family homes affordable to very low income households. Table 2.9 shows how many homes were sold in 2012 by type and number of bedrooms.

Table 2.8. Affordable Home Sales by Type, 2012

	Single Family	Mfg Home	Condo
<b>Extremely Low</b>	1	7	0
<b>Very Low</b>	26	2	2
<b>Low</b>	56	0	0
<b>Moderate</b>	22	0	0
<b>Middle</b>	5	0	0
<b>Not Affordable</b>	2	0	0

**Median Sale Price**      \$255,432      \$31,285      \$106,000

Source: Snohomish County Assessor, 2014

Table 2.9. Size of Homes Sold by Type, 2012

Bedrooms	Single Family	Mfg Home	Condo
<b>0</b>	0	8	0
<b>1-2</b>	13	0	1
<b>3</b>	68	1	0
<b>4</b>	30	0	1
<b>5+</b>	1	0	0

Source: Snohomish County Assessor, 2014

# Current Challenges and Opportunities

The City of Snohomish enjoys a housing stock that is diverse in age and form, with many historic buildings and neighborhoods. Ensuring housing diversity helps support affordability, provided the range of available housing matches the needs of the community. With the notable exception of highly valued, well maintained historic homes, housing typically goes through a 'life cycle,' less affordable when new, and becoming more affordable as it ages. Balancing health and safety concerns related to deterioration, older homes can become a significant source of market rate affordable housing. As much of the capacity for new multifamily housing in Snohomish is in redevelopable parcels<sup>24</sup>, affordable units in properties at the end of their useful life may be removed to accommodate future growth. While this could create affordability challenges in the near term, increasing the overall supply of housing, and ensuring there is enough to accommodate new population over time, is a critical element of housing affordability.

The city has three manufactured/mobile home parks with cumulative capacity for about 70 manufactured homes or recreational vehicles. These parks represent an important housing supply for very low and extremely low income households. All three parks are privately owned for rental income. It is likely that these parks will eventually transition to other uses as land values rise. A portion of these units are owned by their occupants, for whom the structure represents an investment. Conversion of the parks to other uses would displace those in rental units and require owned units to relocate to another park if space is available and if the units are sufficiently structurally sound to move. It appears that two of the parks have capacity to absorb several additional units in the short-term, but the eventual conversion of all three parks to other uses will be a significant loss to affordable housing in the community.

Data on 2013 market rents from Dupre and Scott suggests that, adjusting for household size, rental housing is attainable for Snohomish households earning at least 50% Area Median Income (AMI), those considered low income. There is also a limited supply of units between one and two bedrooms in size affordable to very low income households, those earning between 30 and 50% AMI. Market rents are not affordable to extremely low income households, though this is expected in almost all communities, due to the costs of construction and maintenance in today's market. While the City has a larger share of small units compared to the County as a whole, it has an even larger number of households one to two people in size. As a result, while rents may be affordable to a given group of an appropriate size, there may be many households living in units larger and more expensive than necessary. There are more than twice as many one person households as there are one bedroom homes<sup>25</sup>. This circumstance represents an opportunity for the City to expand the range of housing options in the City by encouraging development of smaller units designed for one or two residents.

The 2012 median home sale price is estimated to be affordable to a low income household between three and six individuals in size. As home ownership is typically only recommended for moderate income households, those earning at least 80% AMI, this means that home ownership in Snohomish is theoretically attainable for recommended groups. However, as affordability

<sup>24</sup> Snohomish County Tomorrow, "2012 Buildable Lands Report for Snohomish County", 2013

<sup>25</sup> US Census Bureau; American Community Survey, 2008-2012

improved dramatically for moderate income households from 2008-2012, following the trajectory of the recession, it is possible that many in this group may be priced out of ownership as the housing market continues to strengthen. In addition, there may be current homeowners facing foreclosure. The market for home financing has also tightened, possibly limiting access to certain households that could theoretically afford the monthly cost of home ownership.

There are many ways cities can support vulnerable homeowners, with a range of required resources. At the most basic level, they can publicize resources available through outside organizations, and form partnerships with those same organizations. The City of Boston's [Home Center](#) is a great example of a "one stop shop" for local housing resources. Even in the current climate of reduced resources and budgets, there are still organizations offering services to potential homeowners in Snohomish County. HomeSight and the Washington State Housing Finance Commission (WSHFC) both offer free education programs for prospective homeowners. Once homeowners have gone through the curriculum, they are eligible to apply for other programs, including down payment assistance loans and low-rate mortgages. Both also have resources for homeowners facing foreclosure, including financial counseling and, in the case of HomeSight, rescue loans. Identifying local lenders familiar with options for lower income homebuyers is another low-cost option for local governments. Going further, some cities pursue grant funding (commonly HOME and CDBG) so they can offer loans to help homeowners with repairs. At the most resource-intensive end, cities can develop trust funds to fund affordable housing directly. King County ARCH member cities contribute to a pooled trust fund which funds a range of affordable housing projects and a down payment loan program. In the case of funded affordable homeownership properties, covenants restrict the sale of these homes to households within certain income limits, as well as the maximum sale price. ARCH also monitors funded projects for program compliance.

Data on cost burden generally supports affordability conclusions for both renters and owners. Snohomish residents become much less likely to be cost burdened as income rises, with a big jump above 50% AMI. While 76% of very low income renters spend more than 30% of their income on rent, only 33% of low income renters are cost burdened. This same jump goes from 95% of very low income homeowners to 50% of low income homeowners. One abnormality is the case of extremely low income homeowners. In Snohomish, only 56% of this group is cost burdened, compared to 83% of extremely low income renters. Equally unusual, there are about the same number of extremely low income owners as there are middle income owners – 13% of all owners for both income groups. It is likely that a portion of extremely low income homeowners own manufactured homes, which are typically much more affordable than site built single family detached or attached homes. However, the City's stock of manufactured housing is not sufficient to account for all extremely low income owner households. Retirees who have aged in place may describe a significant portion as well. These would be owners who may no longer have a mortgage, but have a low household income relative to other housing costs such as taxes and utilities. At 23% of all owners, there are even more low income homeowners.

For those lacking sufficient credit or income, renting is still often the best choice, due to many factors including ongoing maintenance expenses. Extremely low and very low income households generally cannot afford market rate units of any kind in Snohomish, however. The City features 144 units of dedicated subsidized housing targeted to this group, and another 110 households use Section 8 Housing Choice Vouchers in the City. While workforce housing units are typically intended for households with slightly higher incomes, the Snohomish Affordable Housing Group (SAHG) provides 103 units of workforce housing with rents set to be affordable to households earning 50%

AMI, considered very low income. SAHG has an unusual model to provide affordable housing at a relatively low operating cost, and is a great local asset. The City has partnered with SAHG in the past by waiving certain development fees and providing other assistance to support development of affordable projects, which is a model of how local government can directly support affordable housing production. With a total of 1,518 Snohomish households earning less than 50% AMI, the supply of housing affordable to this group still needs to increase.

The City also has specific demographic characteristics that must be considered for housing planning. Its population is aging, and, if the City's seniors desire to age in place, they will require appropriate affordable housing with access to services nearby. The City also has a slightly higher disabled population compared to the County overall, particularly for children. The portion of disabled individuals will likely increase as the population ages.

Accommodating future growth and demographic shifts while preserving the City's character and supporting affordable housing is a significant challenge. The City is pursuing a number of strategies to support affordable housing, including:

- Encouraging design innovation for affordability
- Providing incentives for the development of low-income housing projects
- Allowing Accessory Dwelling Units (ADUs)
- Allowing group quarters and studio apartments
- Allowing a reduction of lot sizes for single family developments
- Allowing mixed-use development and a range of housing types and densities

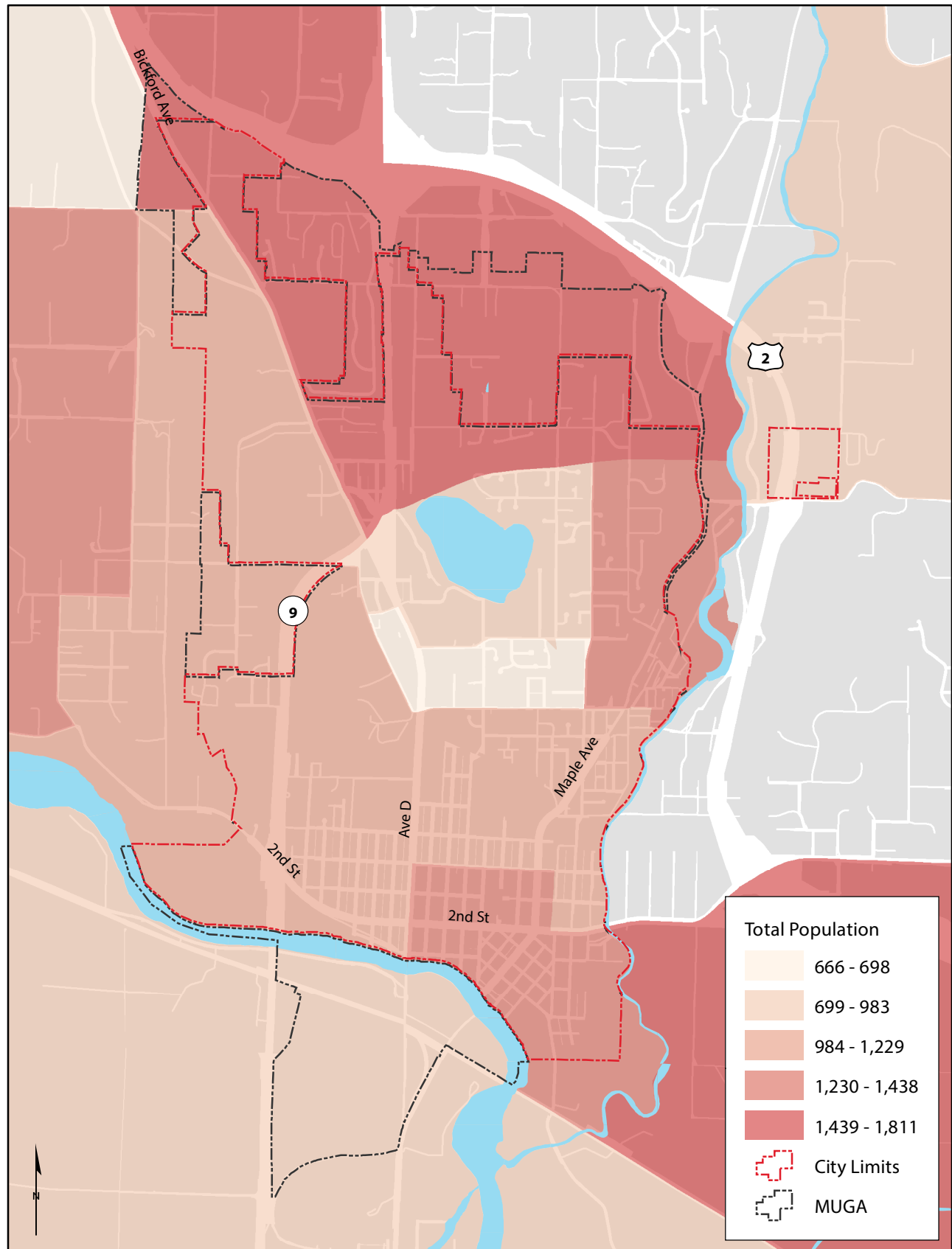
The City has pursued a range of implementation measures for these strategies. In addition to pursuing further identified appropriate measures, the City should continue to monitor their use and evaluate policies to make sure there are not unnecessary regulatory barriers to use.



# Maps

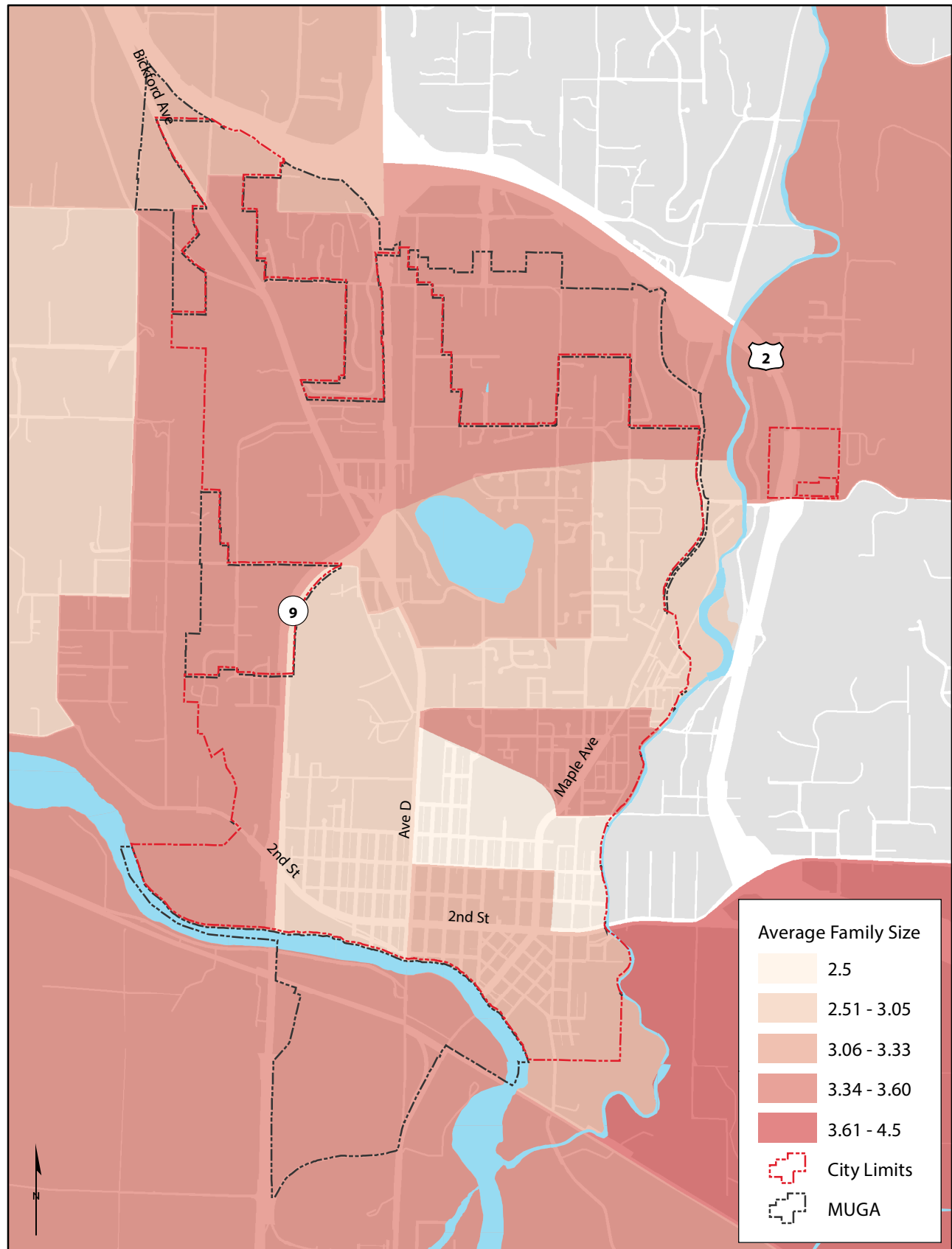
# Map 1.1. Total Population (Block Groups)

Sources: American Community Survey, 2008-2012; Snohomish County Information Services, 2013



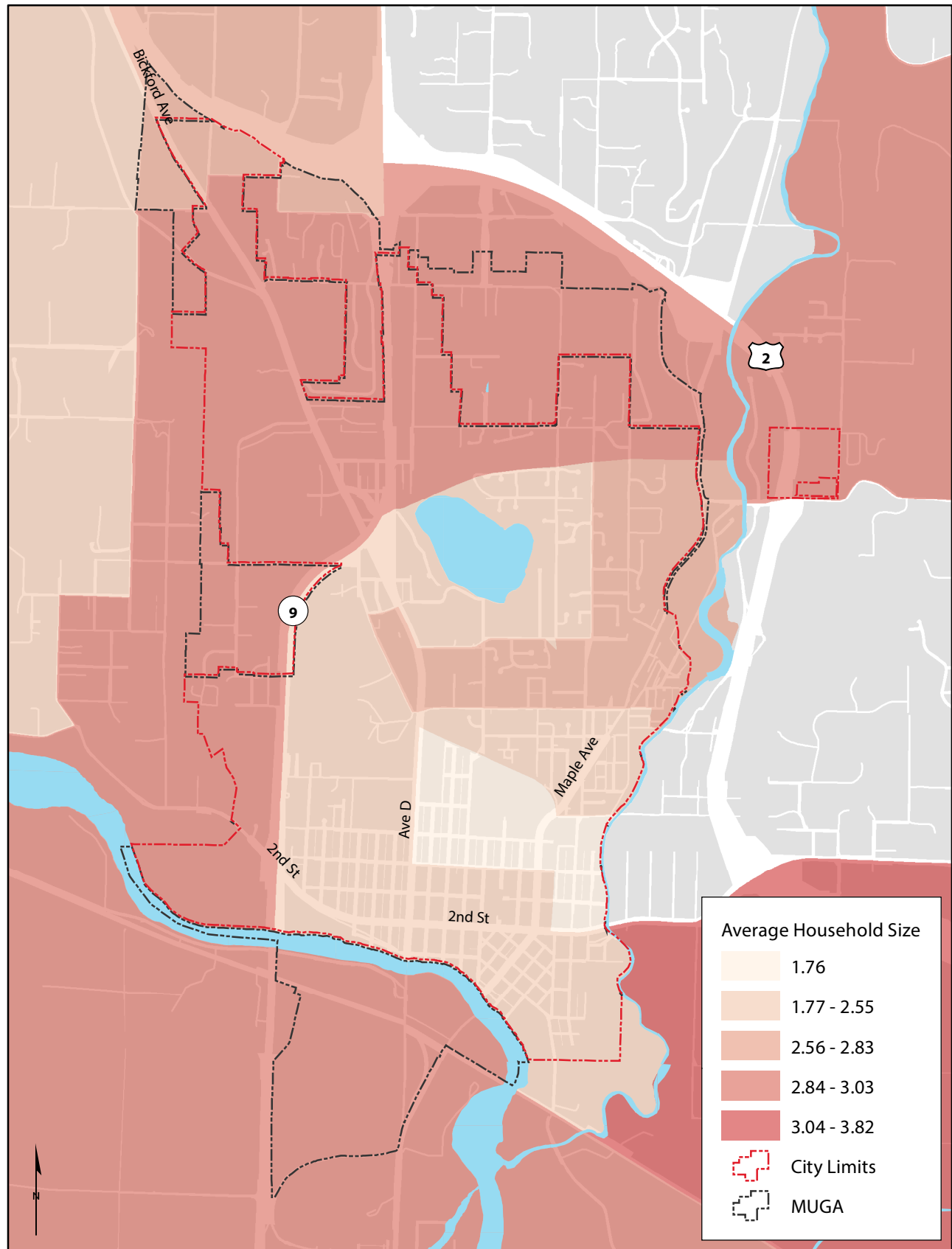
# Map 1.2. Average Family Size (Block Groups)

Sources: American Community Survey, 2008-2012; Snohomish County Information Services, 2013



# Map 1.3. Average Household Size (Block Groups)

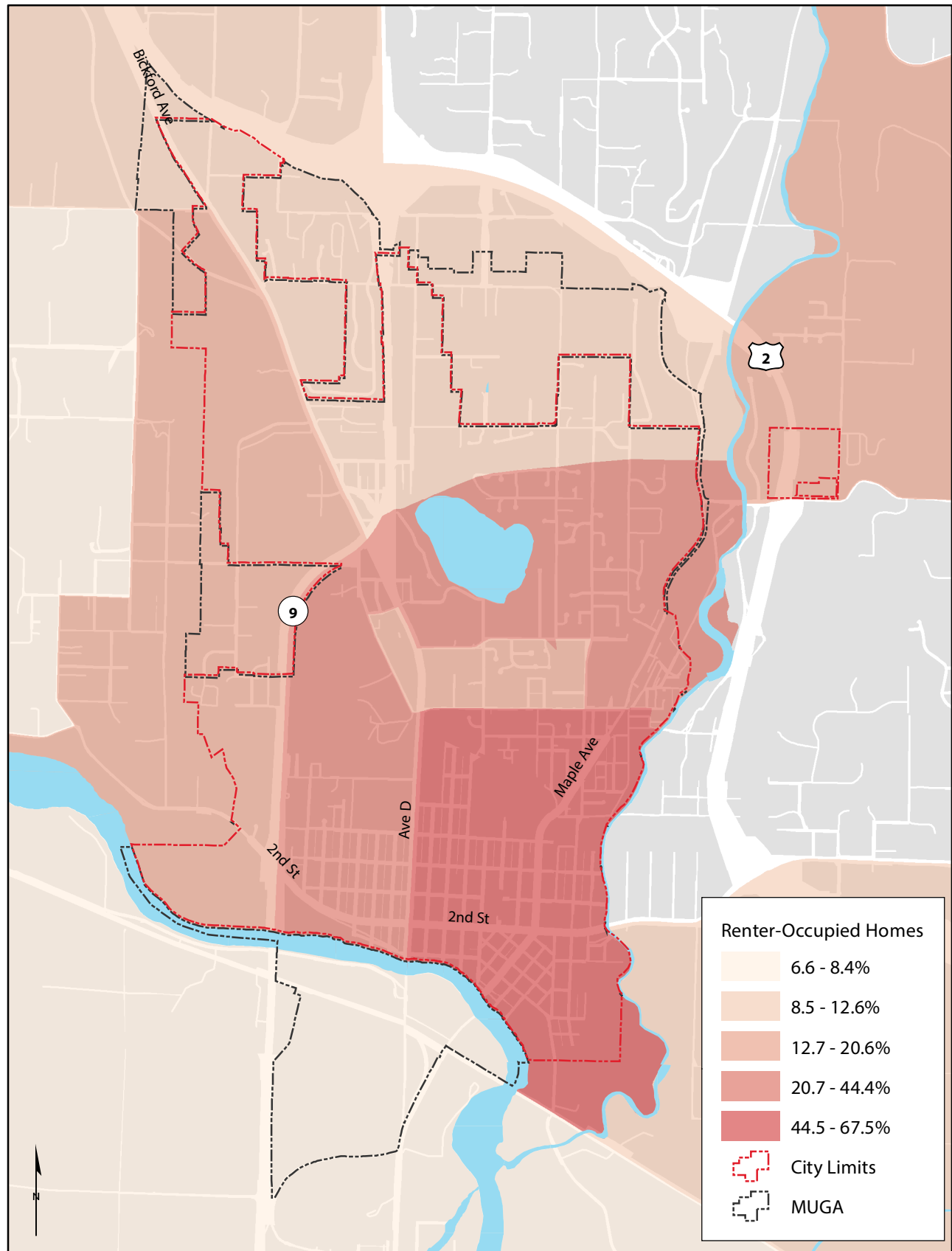
Sources: American Community Survey, 2008-2012; Snohomish County Information Services, 2013



0 0.25 0.5 1 Mile

# Map 1.4. Renter-Occupied Housing Units

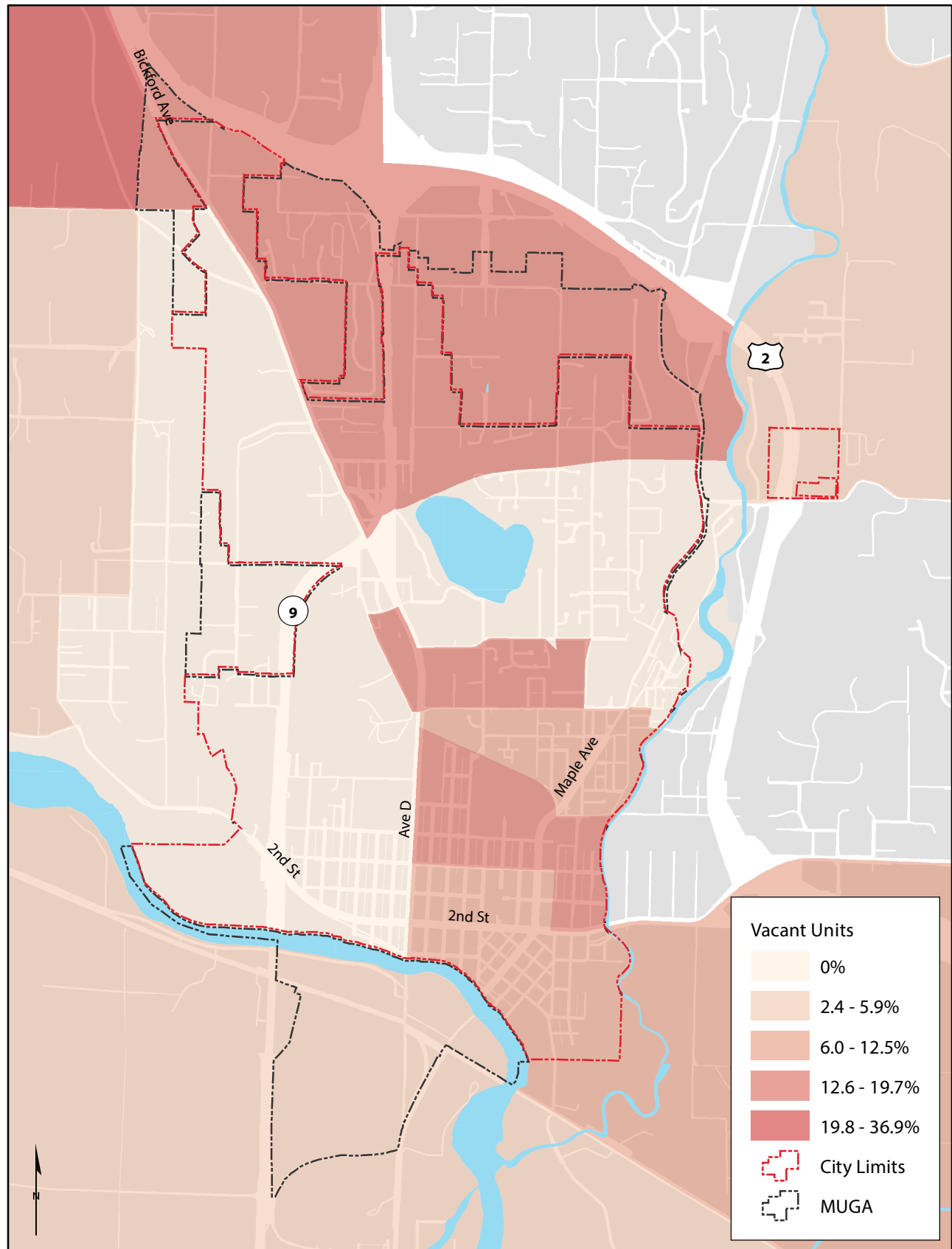
Sources: American Community Survey, 2008-2012; Snohomish County Information Services, 2013



0 0.25 0.5 1 Mile

# Map 1.5. Vacant Housing Units (Block Groups)

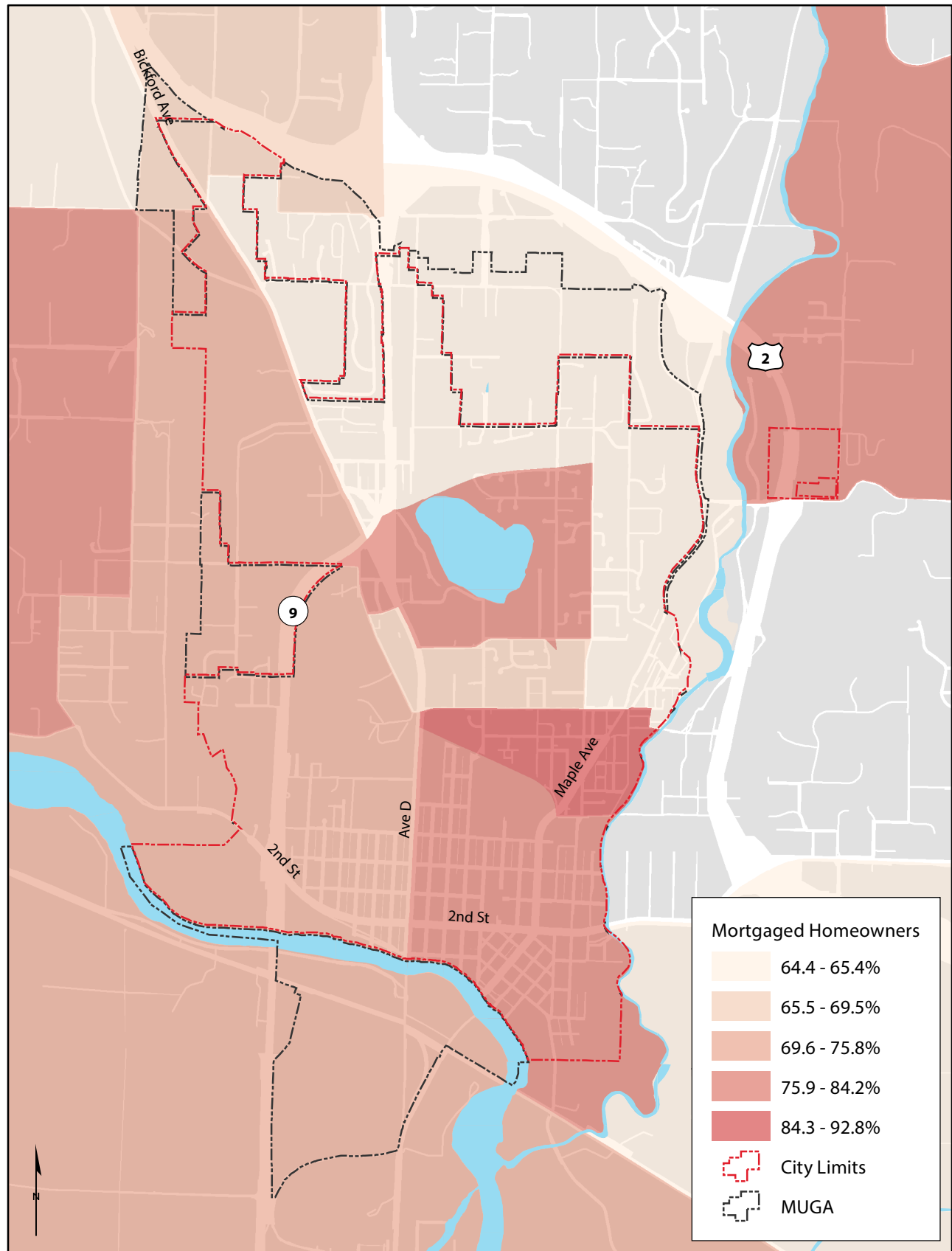
Sources: American Community Survey, 2008-2012; Snohomish County Information Services, 2013



0 0.25 0.5 1 Mile

# Map 1.6. Homeowners with Mortgages

Sources: American Community Survey, 2008 - 2012; Snohomish County Information Services, 2013

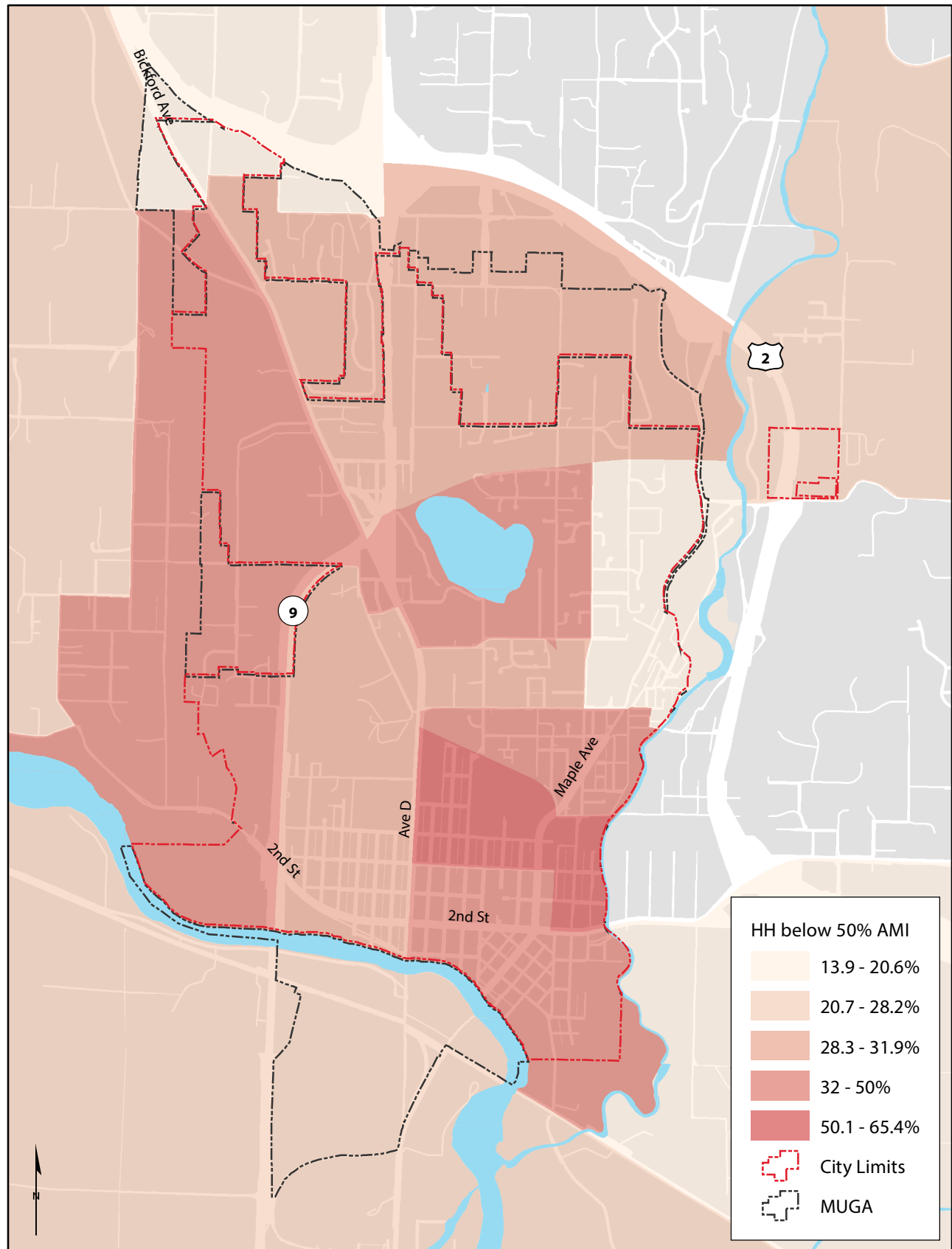


0 0.25 0.5 1 Mile



# Map 1.7. Very Low-Income Households

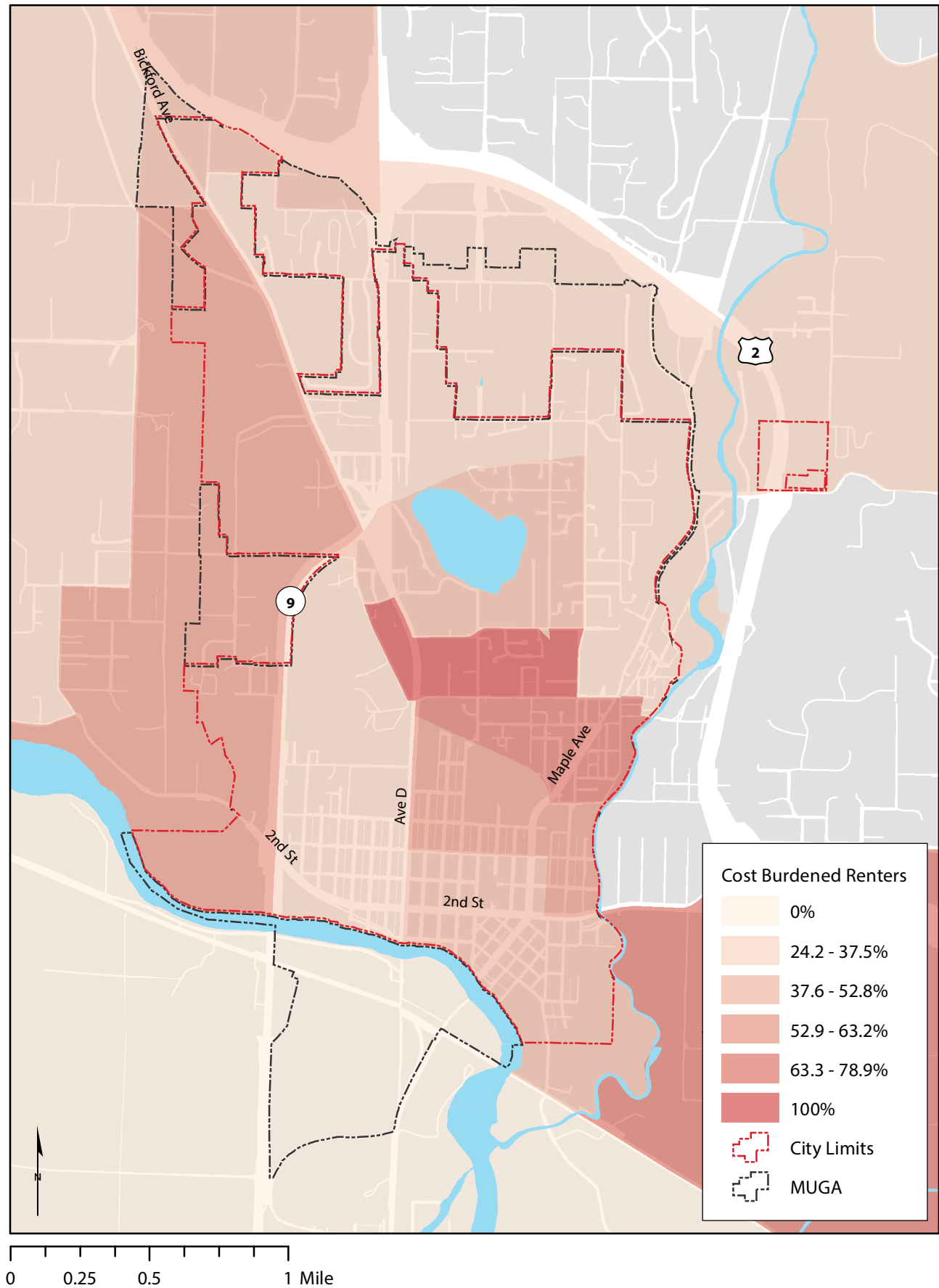
Sources: American Community Survey, 2008 - 2012; Snohomish County Information Services, 2013



0 0.25 0.5 1 Mile

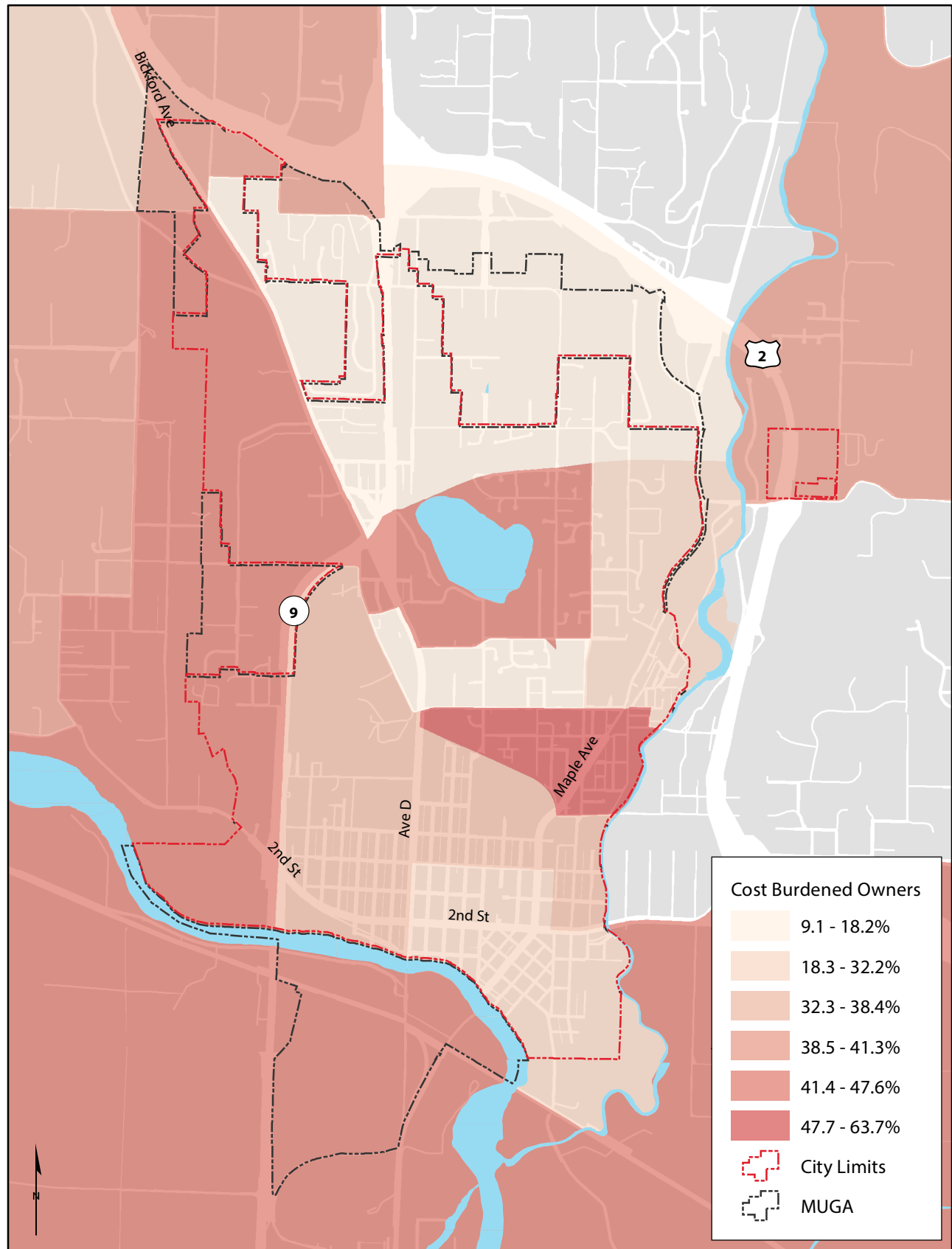
# Map 1.8. Cost-Burdened Renters

Sources: American Community Survey, 2008 - 2012; Snohomish County Information Services, 2013



# Map 1.9. Cost-Burdened Owners

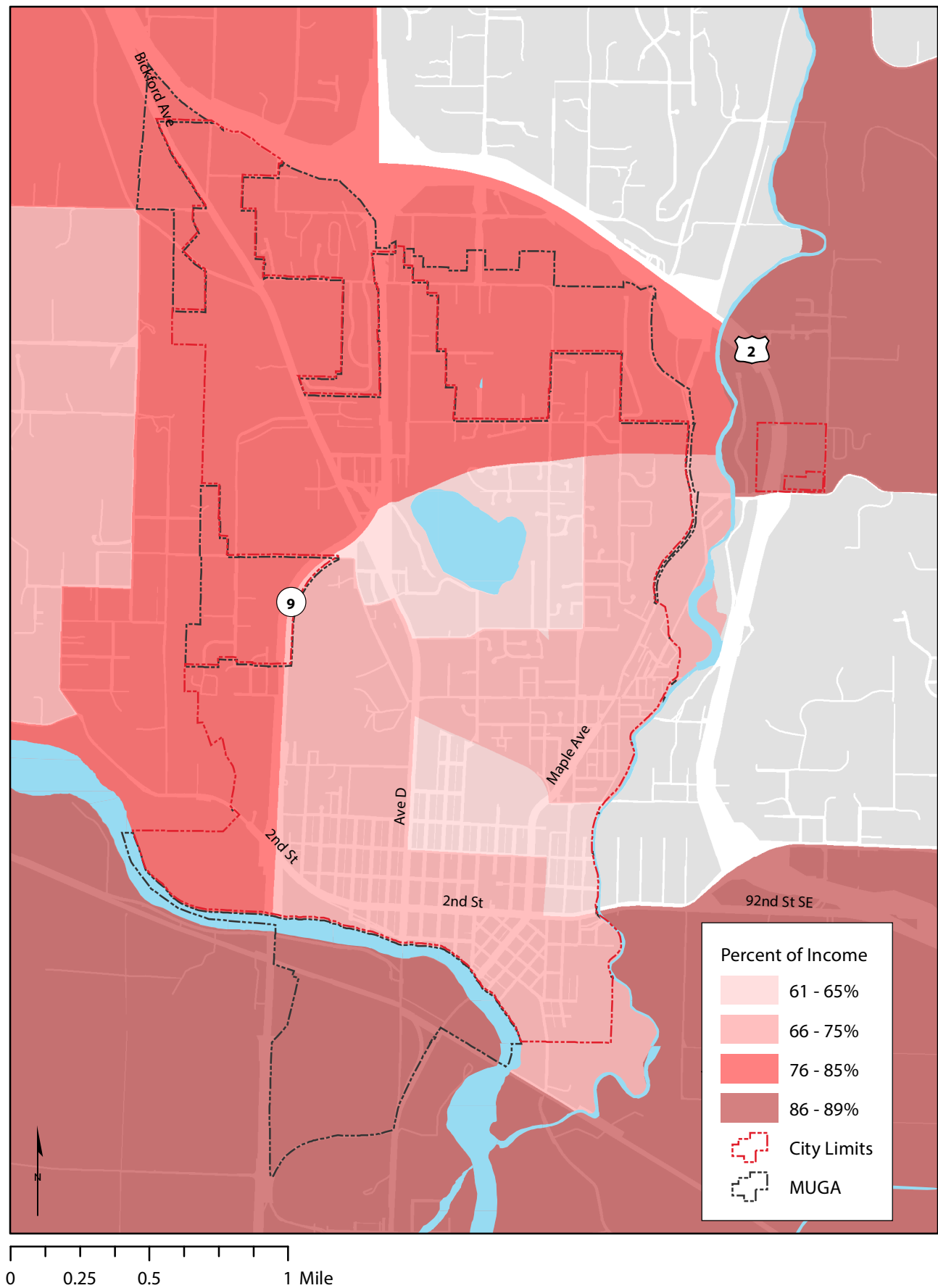
Sources: American Community Survey, 2008 - 2012; Snohomish County Information Services, 2013



0 0.25 0.5 1 Mile

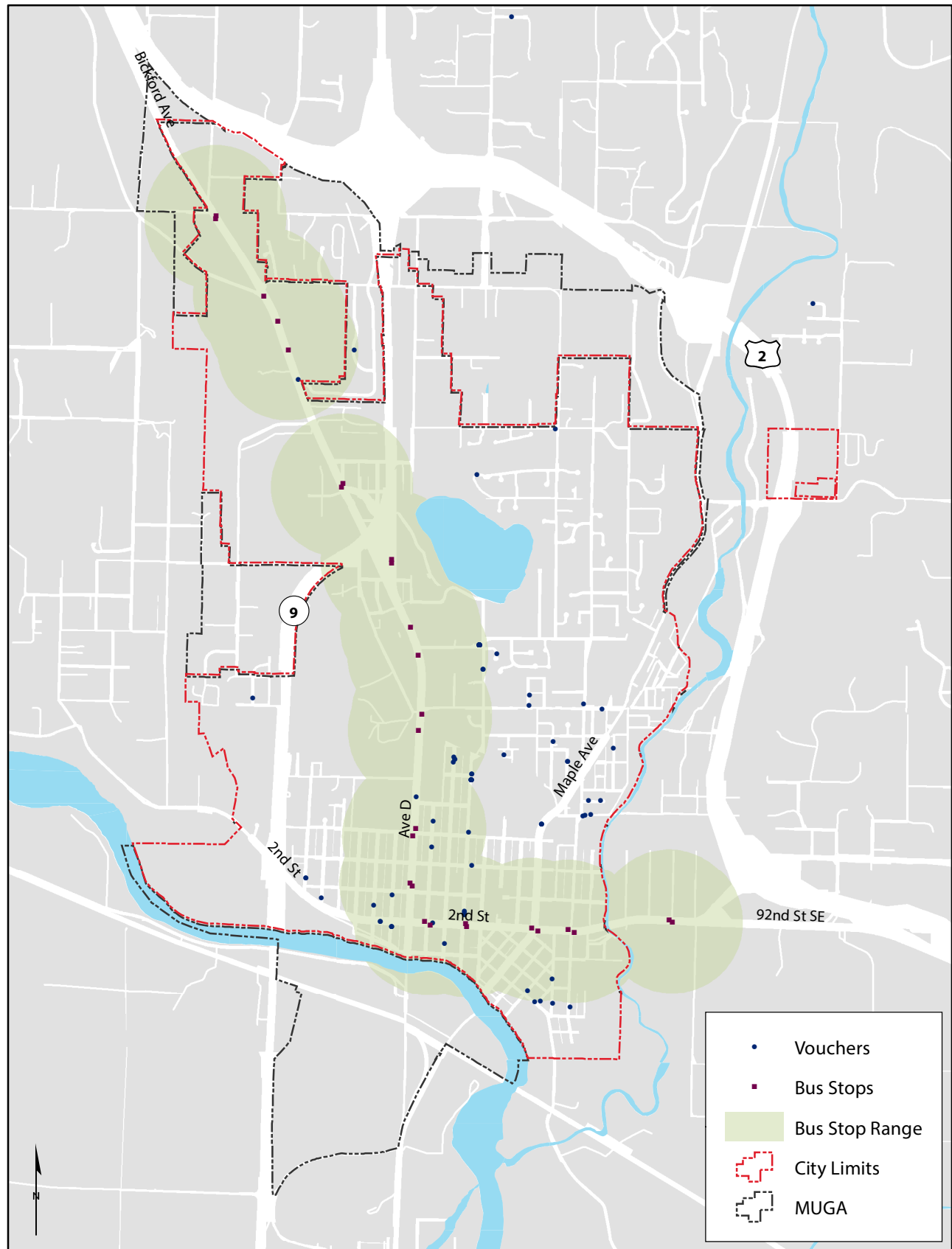
# Map 1.10. Housing & Transportation, Percent of Low HH Income

Sources: US Housing & Urban Development, 2013; Snohomish County Information Services, 2012



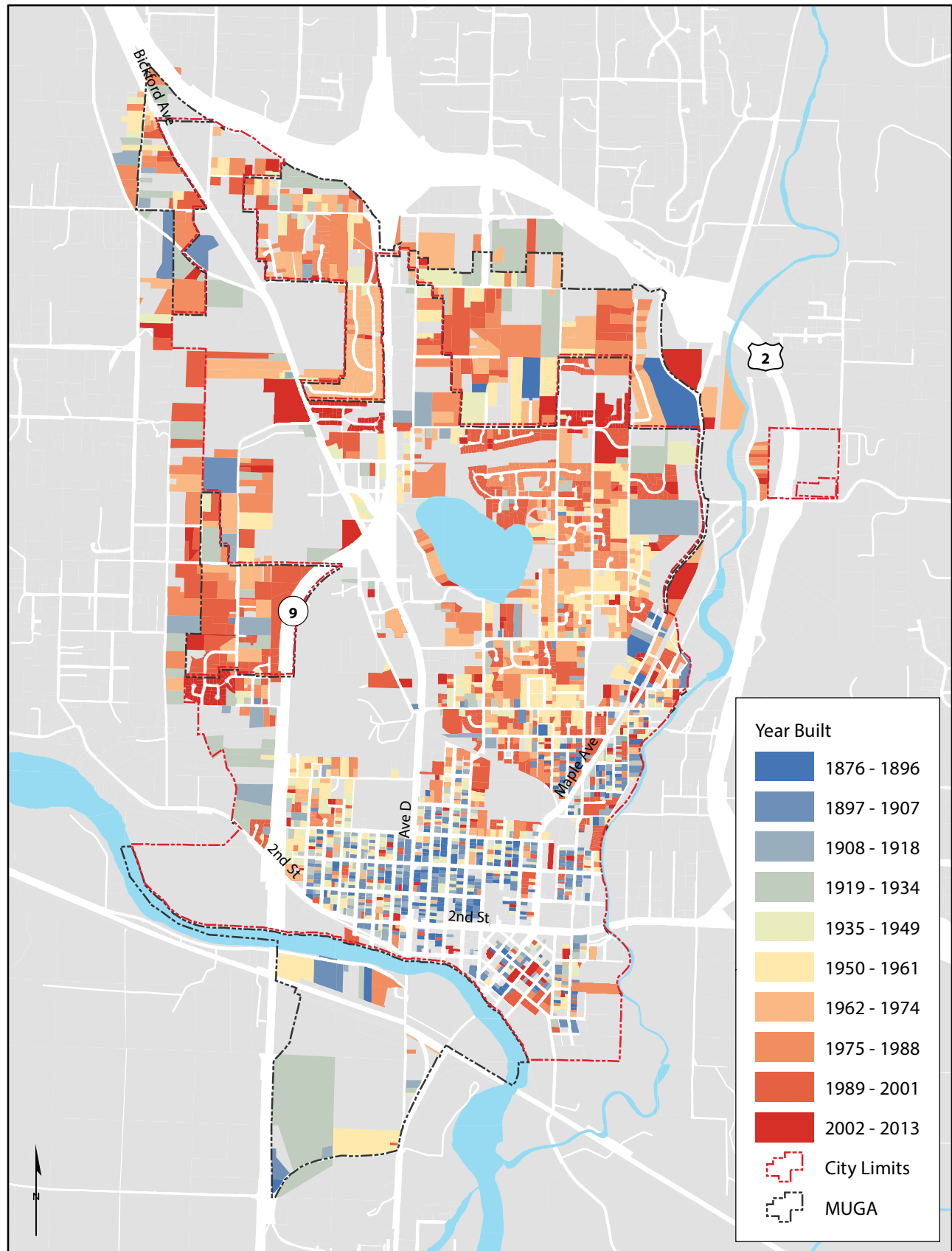
## Map 2.1. Voucher Location and Transit Access

Sources: HASCO 2014; Snohomish County Community Transit, 2014; Snohomish County Information Services, 2013



# Map 2.2. Age of Housing Stock

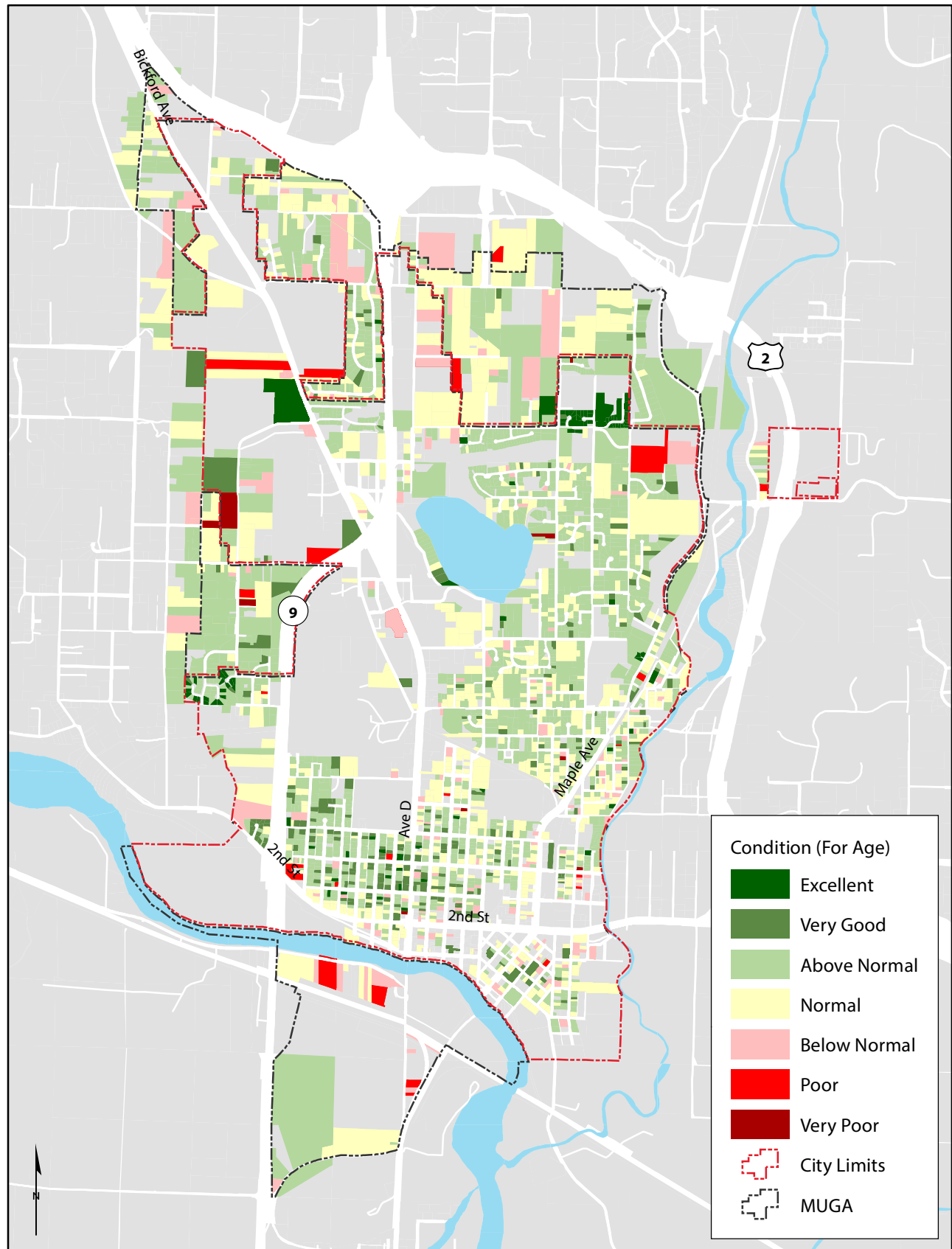
Sources: Snohomish County Assessor, 2012; Snohomish County Information Services, 2012



0 0.25 0.5 1 Mile

# Map 2.3. Condition of Housing Stock

Sources: Snohomish County Assessor, 2014; Snohomish County Information Services, 2013

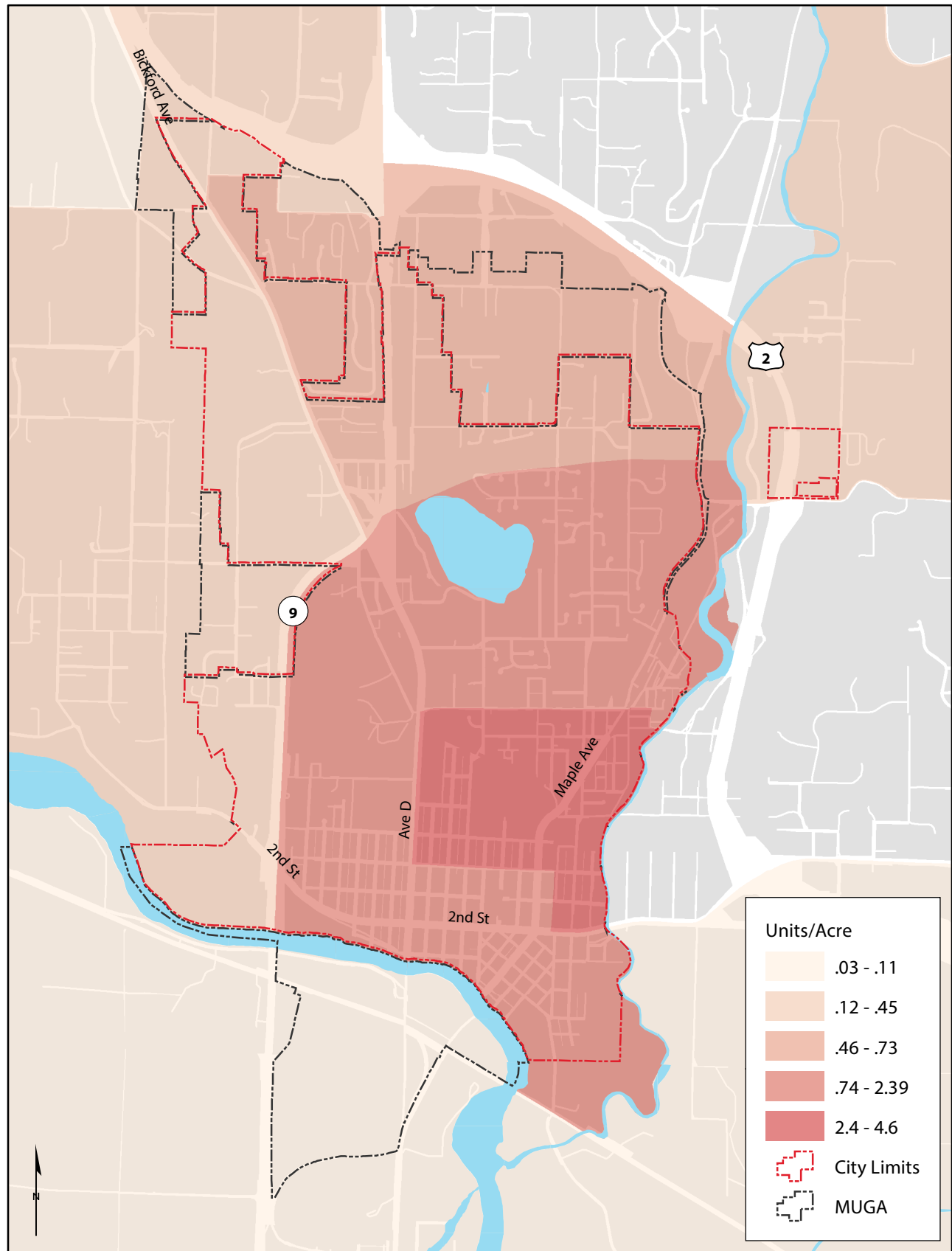


0 0.25 0.5 1 Mile



## Map 2.4. Housing Density

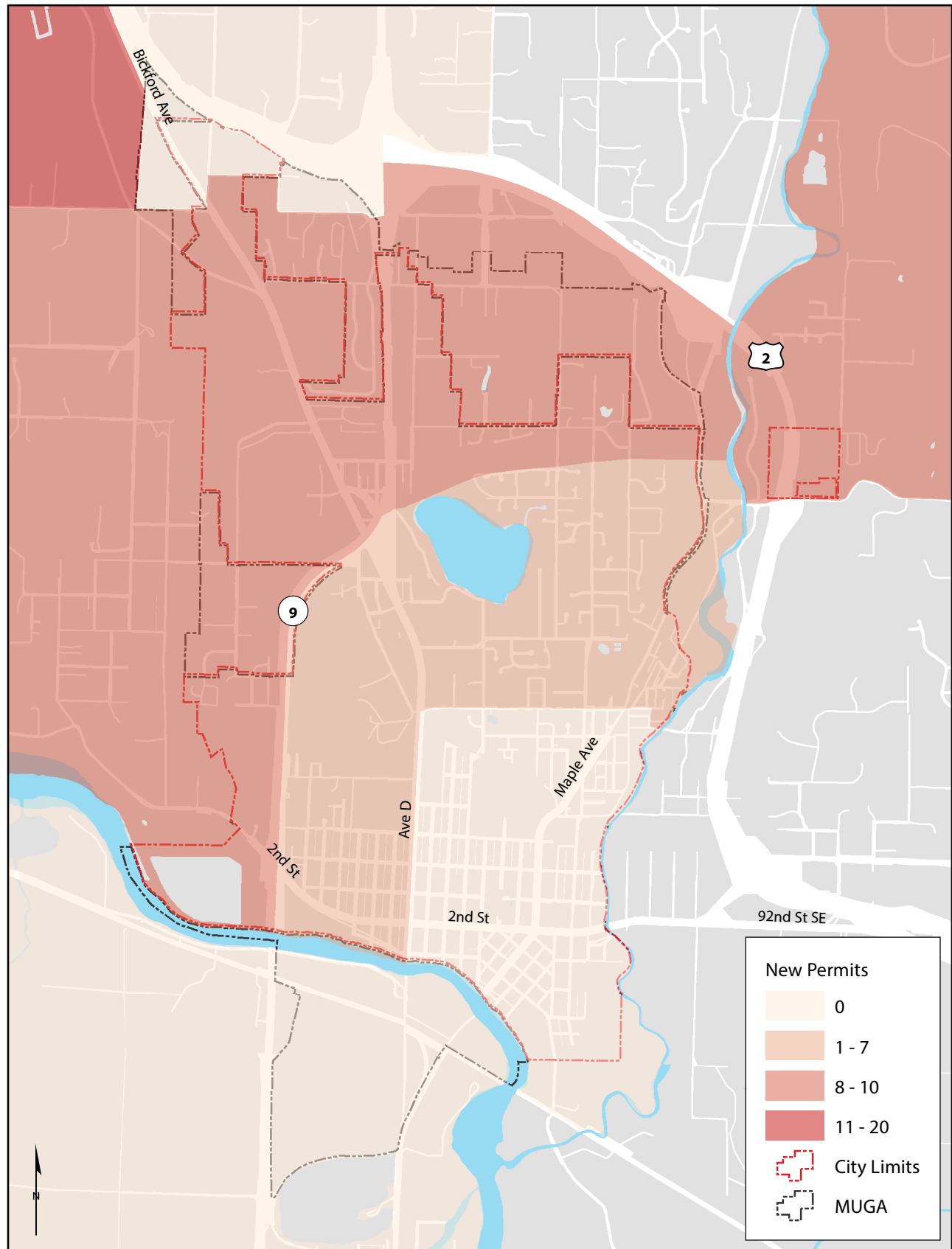
Sources: American Community Survey, 2008 - 2012; Snohomish County Information Services, 2013



0 0.25 0.5 1 Mile

# Map 2.7. New Single Family Permits by Census Tract, 2011

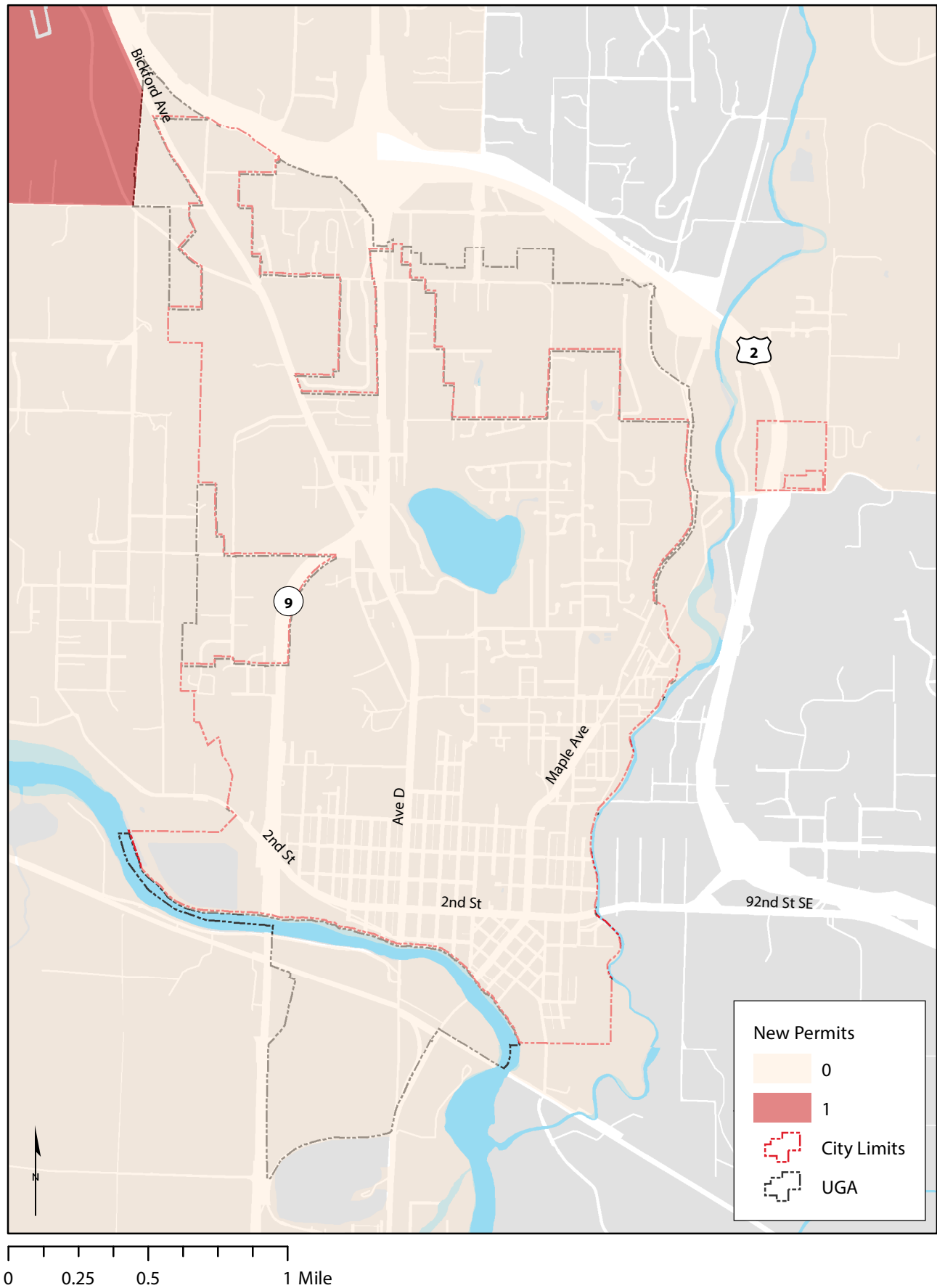
Sources: Snohomish County Information Services, 2012; PSRC, 2011



0 0.25 0.5 1 Mile

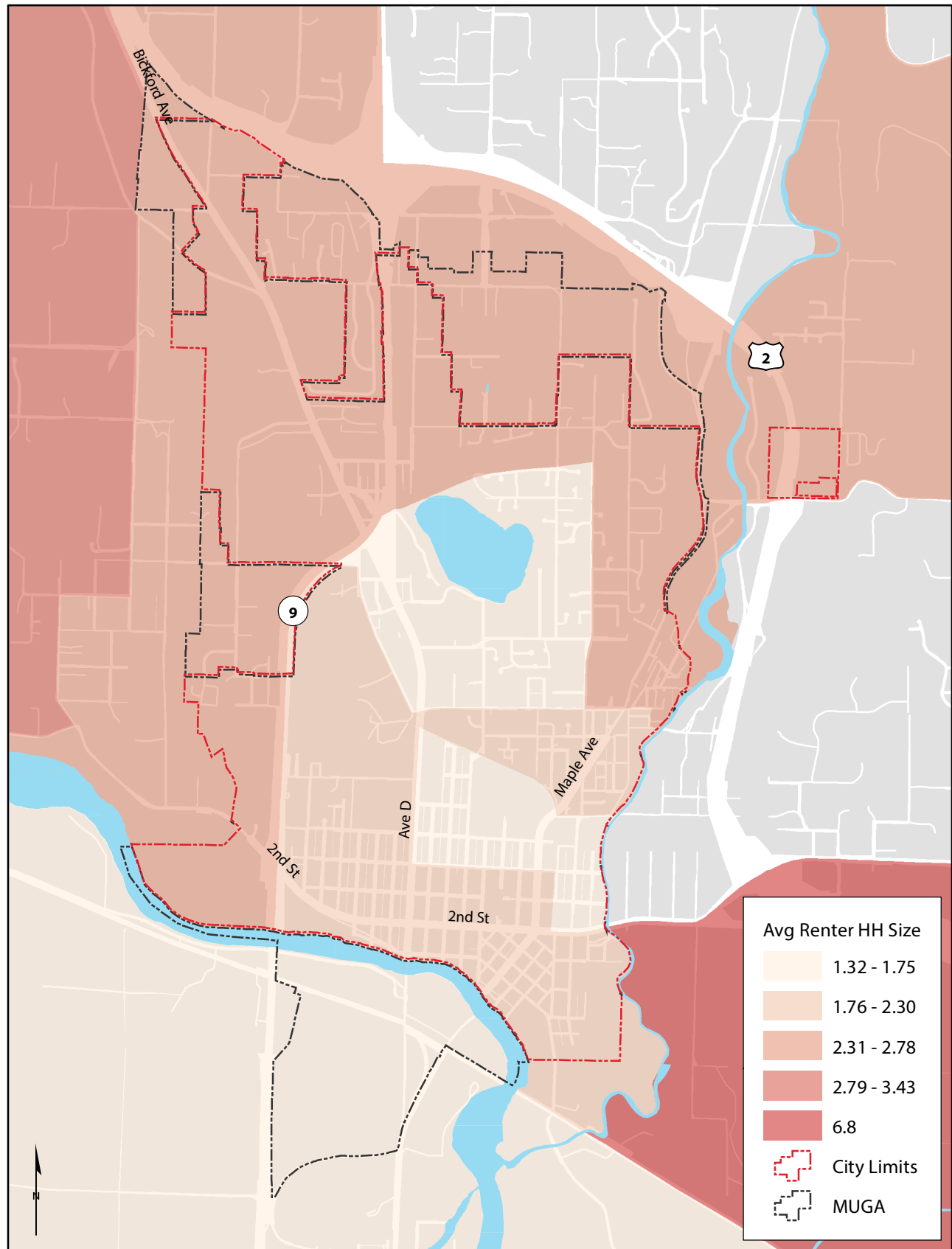
## Map 2.8. New Multifamily Permits by Census Tract, 2011

Sources: Snohomish County Information Services, 2012; PSRC, 2011



# Map 2.9. Average Renter Household Size

Sources: American Community Survey, 2008 - 2012; Snohomish County Information Services, 2013



0 0.25 0.5 1 Mile

# Appendices

# Appendix A: Market Rent Comparables by Property, City of Snohomish

Units in Building	Age	Take Section 8?	1Bd-Rent	Utilities	Total	Minimum Income	2/1-Rent	Utilities	Total	Minimum Income	2/2-Rent	Utilities	Total	Minimum Income	3/1-Rent	Utilities	Total	Minimum Income	3/2-Rent	Utilities	Total	Minimum Income	4Bed-Rent	Utilities	Total	Minimum Income	5Bed-Rent	Utilities	Total	Minimum Income	
SF	1900																										\$1,495	\$276	\$1,771	Low	
SF	1945																										\$1,595	\$276	\$1,871	Low	
SF	1965																										\$1,695	\$276	\$1,971	Moderate	
SF	1945																										\$1,795	\$276	\$2,071	Moderate	
SF	1990																													Not Affordable	
SF	1900																						\$1,295	\$247	\$1,542	Low	\$2,900	\$276	\$3,176		
SF	1990																						\$1,950	\$247	\$2,197	Moderate					
SF	1900																						\$1,995	\$247	\$2,242	Moderate					
SF	2000																						\$2,050	\$247	\$2,297	Moderate					
SF	2000																						\$2,300	\$247	\$2,547	Middle					
2-3	1945	No																	\$1,066	\$94	\$1,160	Low									
SF	1990																		\$1,095	\$220	\$1,315	Low									
SF	1945																		\$1,200	\$220	\$1,420	Low									
2-3	1985																		\$1,250	\$220	\$1,470	Low									
2-3	1945	No																	\$1,250	\$94	\$1,344	Low									
SF	1945																		\$1,295	\$220	\$1,515	Low									
SF	1975																		\$1,395	\$220	\$1,615	Low									
SF	2000																		\$1,395	\$220	\$1,615	Low									
SF	1990																		\$1,450	\$220	\$1,670	Low									
SF	1945																		\$1,450	\$94	\$1,544	Low									
SF	1990																		\$1,550	\$220	\$1,770	Moderate									
SF	1965																		\$1,595	\$220	\$1,815	Moderate									
SF	1975																		\$1,695	\$220	\$1,915	Moderate									
SF	1990	No																	\$1,695	\$220	\$1,915	Moderate									
SF	1965																		\$1,695	\$220	\$1,915	Moderate									
SF	1965																		\$1,695	\$220	\$1,915	Moderate									
SF	1945																		\$1,695	\$220	\$1,915	Moderate									
SF	2000																		\$1,695	\$220	\$1,915	Moderate									
SF	2000																		\$1,695	\$220	\$1,915	Moderate									
SF	1945																		\$1,795	\$220	\$2,015	Moderate									
SF	1990																		\$1,850	\$220	\$2,070	Moderate									
SF	1965																		\$1,850	\$220	\$2,070	Moderate									
SF	1990																		\$2,000	\$220	\$2,220	Middle									
SF	1965																														
SF	1965																		\$1,200	\$220	\$1,420	Low									
SF	1985																		\$1,295	\$220	\$1,515	Low									
SF	1965																		\$1,295	\$220	\$1,515	Low									
SF	1965																		\$1,495	\$220	\$1,715	Moderate									
SF	1945																		\$1,500	\$220	\$1,720	Moderate									
SF	1945																		\$1,895	\$220	\$2,115	Moderate									
4-19	1975						\$711	\$191	\$902	Very Low																					
4-19	1945	No	\$675	\$62	\$737	Very Low	\$775	\$77	\$852	Very Low																					
2-3	1965						\$775	\$191	\$966	Very Low																					
4-19	1965	No	\$675	\$62	\$737	Very Low	\$790	\$77	\$867	Very Low																					
4-19	1985	No					\$795	\$77	\$872	Very Low																					
4-19	1945	No	\$675	\$62	\$737	Very Low	\$810	\$77	\$887	Very Low																					
4-19	1985	No					\$810	\$77	\$887	Very Low																					
4-19	1985	No					\$850	\$77	\$927	Very Low																					
4-19	1985	No					\$870	\$77	\$947	Very Low																					
2-3	1900	No	\$690	\$62	\$752	Very Low	\$895	\$77	\$972	Very Low																					
SF	1945	No					\$1,000	\$191	\$1,191	Low																					
2-3	1965						\$1,023	\$191	\$1,214	Low																					
SF	1900						\$1,050	\$191	\$1,241																						
SF	1975						\$1,095	\$191	\$1,286	Low																					
SF	1900						\$1,095	\$191	\$1,286	Low																					
SF	1945						\$1,195	\$191	\$1,386	Low																					
SF	1945						\$1,450	\$191	\$1,641	Moderate																					
4-19	1975		\$708	\$171	\$879	Low																									
4-19	1975		\$733	\$62	\$795	Very Low																									
4-19	1945		\$735	\$171	\$906	Low																									
SF	1900		\$775	\$171	\$946	Low																									
2-3	1900		\$950	\$171	\$1,121	Low																									
20+	2000	Yes	\$850	\$171	\$1,021	Low																									
4-19	1990	No	\$650	\$62	\$712	Very Low																									
4-19	1975	No																													
SF	1945																														

# Appendix B: Assisted Rental Housing Units, City of Snohomish

PROPERTY NAME	STREET ADDRESS	PARCEL ID	ASSISTED UNITS BY INCOME LEVEL				SUBSIDIZED UNITS	WORKFORCE UNITS	SHELTER UNITS	TOTAL ASSISTED UNITS	OWNER	POPULATION SERVED	FUNDING SOURCES
			Extremely Low	Very Low	Low	Moderate							
Section 8 Housing Choice Vouchers	Various	Various	96	12	2	0	110			110	Various	Various	HUD Section 8 Housing Choice Voucher
Cadyville	707 Ave D	28060700301300		43				43		43	Private Nonprofit (Snohomish Affordable Housing Group)	Family/Senior	Tax-exempt Bond Financing
Camellia House	124 Ave B	00579500700500	4				4			4	Private Nonprofit (Compass Health)	Single homeless persons	HUD Supportive Housing Program
Centennial Trails Senior Housing	505 5th St	28061800207802		21				21		21	Private Nonprofit (Snohomish Affordable Housing Group)	Senior	Tax-exempt Bond Financing
Lydia House	124 Ave B	00579500700500	10						10	10	Private Nonprofit (Everett Gospel Mission)	Women/Homeless, Shelter	Private Capital Funding (Everett Gospel Mission)
Maplewood	1015 McDonald Av	00436000100100	15				15			15	Public (HASCO)	Family	HUD Public Housing
Pilchuck Ridge Apts.	226 6th St	00442600000201		9			9			9	Private For-Profit	Individual/Family	USDA Rental Assistance
Snohomish Affordable Housing Apartments	401 1st St	00579400500500		18				18		18	Private Nonprofit (Snohomish Affordable Housing Group)	Family/Senior	Tax Exempt Bond Financing
Soap Suds Row	209 - 215 Ave A	00579501201301	4				4			4	Public (HASCO)	Senior	Section 8 Project-Based Vouchers, CDBG
Tucker Place	1010 McDonald Ave	436000200100		21				21		21	Private Nonprofit (Snohomish Affordable Housing Group)	Family/Senior/Disabled	Tax-exempt Bond Financing
Woodlake Apartments	1120 13th Ave	28060700205400	30				30			30	Private For-Profit	Senior/Disabled	HUD Project-Based Section 8
Woodlake Manor I	1018 13th St	28060700205900	19	3			22			22	Private Nonprofit (Mercy Housing)	Senior/Disabled	USDA Section 515 Rental Assistance, Tax-Exempt Bond
Woodlake Manor II	1018 13th St	28060700206100	30	6			36			36	Private Nonprofit (Mercy Housing)	Senior/Disabled	USDA Section 515 Rental Assistance, Tax-Exempt Bond
Woodlake Manor III	1018 13th St	28060700202200	24				24			24	Public (HASCO)	Senior/Disabled	HUD Project-Based Vouchers



## Appendix C: Single Family Home Sales, 2008-2012, City of Snohomish

	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>
<b>Number of Sales</b>	108	0	149	125	123
<b>Average Sale Price</b>	\$ 292,162	\$ 72,229	\$ 253,699	\$ 209,696	\$ 236,656
<b>Median Sale Price</b>	\$ 306,500	\$ 69,870	\$ 243,018	\$ 205,000	\$ 229,950
<b>Median Sale Price Home Affordability</b>					
	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>
<b>Mortgage Amount</b>	\$ 245,200	\$ 200,760	\$ 194,414	\$ 164,000	\$ 183,960
<b>Interest Rate</b>	6.09%	5.06%	4.83%	4.58%	3.66%
<b>Monthly PITI</b>					
Principal + Interest	\$ 1,484	\$ 1,085	\$ 1,024	\$ 839	\$ 843
Property Taxes	\$ 255	\$ 209	\$ 203	\$ 171	\$ 192
Insurance	\$ 97	\$ 79	\$ 77	\$ 65	\$ 73
Utilities	\$ 259	\$ 253	\$ 270	\$ 271	\$ 249
<b>TOTAL</b>	\$ 2,096	\$ 1,627	\$ 1,573	\$ 1,345	\$ 1,356
<b>Minimum Annual Income</b>					
<b>in 2012 Dollars</b>	\$ 83,836	\$ 65,062	\$ 62,922	\$ 53,816	\$ 54,226
	\$ 89,400	\$ 69,628	\$ 66,251	\$ 54,930	

# Appendix D: Affordable Housing Glossary

**Affordable Housing:** For housing to be considered affordable, a household should not pay more than 30 percent of its annual income on housing. This includes all costs related to housing - rent, mortgage payments, utilities, etc.

**AMI:** Area Median Income. The measure of median income used in this report is that of the Seattle-Bellevue HMFA. This measure is used in administering the Section 8 voucher program in Snohomish County.

**Cost-Burdened:** Households that spend more than 30 percent of their income on housing.

**Extremely Low Income:** Households that make up to 30 percent of AMI.

**Fair Market Rent:** HUD determines what a reasonable rent level should be for a geographic area, and sets this as the area's fair market rent. Section 8 voucher holders are limited to selecting units that do not rent for more than fair market rent.

**HMFA:** HUD Metro FMR Area

**Low Income:** Households that make up to 80 percent of AMI.

**Median Income:** The median income for a community is the annual income at which half the households earn less and half earn more.

**Middle Income:** Households that make up to 120 percent of AMI.

**Moderate Income:** Households that make up to 95 percent of AMI.

**PHA:** Public Housing Agency

**Section 8:** HUD's Section 8 Housing Choice voucher program. Qualifying households can take their voucher to any housing unit which meets HUD safety and market rent standards. HUD funds are administered by PHAs.

**Severely Cost-Burdened:** Households that spend more than 50 percent of their income on housing.

**Subsidized Rental Unit:** A unit which benefits from a direct, monthly rent subsidy. This subsidy will vary to ensure that a household does not spend more than 30% of their income on housing. Section 8 Housing Choice Vouchers are an example of a direct rent subsidy.

**Very Low Income:** Households that make up to 50 percent of AMI.

**Workforce Rental Housing:** Workforce rental units have rents which are set in order to be affordable to households at certain income levels. While a household may need to have

income below a certain level to apply for a workforce rental unit, the rent level does not adjust to their actual income. A property may feature units with rents affordable to households with 50% AMI, but a household earning 30% AMI would still have to pay the same rent.

# Appendix E: Methodology

## Affordability - Adjustment for Household Size

Where it is indicated that housing cost affordability is assessed adjusting for household size, several factors are considered. First, using HUD standards, the appropriate size range that could inhabit the housing unit in question is determined. For example, the appropriate range for a 2 bedroom unit would be 2-4 people. Next, the cutoff income levels are averaged across the household size range, and this average is used for comparison.

To assess whether or not a 2 bedroom unit is affordable to extremely low income households using this method, one would first average the extremely low cutoff levels for 2-, 3-, and 4-person households. For 2012, these levels were \$21,150, \$23,800, and \$26,400. Their average is \$23,783. A household with this income can afford to spend no more than \$595 per month on housing. If the unit in question rents for less than this amount, then one can say that, on average, it is affordable to extremely low income households, adjusting for household size.

Table E.1, below, shows the maximum a household at each income level can afford to spend on housing per month by household size.

Table E.1. Maximum Monthly Housing Expense by Household Size, Seattle-Bellevue HMFA 2012

	Number of Persons Per Household								HMFA Overall
	1	2	3	4	5	6	7	8	
<b>Extremely Low</b>	\$455	\$520	\$585	\$650	\$703	\$755	\$806	\$859	\$650
<b>Very Low</b>	\$759	\$868	\$976	\$1,084	\$1,171	\$1,258	\$1,345	\$1,431	\$1,084
<b>Low</b>	\$1,128	\$1,289	\$1,450	\$1,610	\$1,740	\$1,869	\$1,998	\$2,126	\$1,734
<b>Moderate</b>	\$1,442	\$1,648	\$1,855	\$2,059	\$2,225	\$2,389	\$2,556	\$2,719	\$2,059
<b>Middle</b>	\$1,821	\$2,082	\$2,343	\$2,601	\$2,811	\$3,018	\$3,228	\$3,435	\$2,601

Source: HUD, 2012

## Home ownership affordability

Home ownership affordability was calculated using similar techniques to the California Association of Realtor's Housing Affordability Index. First, property sale data was acquired from the Snohomish County Assessor, and single family home sales in the City of Snohomish were separated. Next, the monthly payment for these homes was calculated using several assumptions:

- Assuming a 20% down payment, the loan amount is then 80% of the total sale price
- Mortgage term is 30 years
- Interest rate is the national average effective composite rate for previously occupied homes as reported by the Federal Housing Finance Board
- Monthly property taxes are assumed to be 1% of the sale price divided by 12
- Monthly insurance payments are assumed to be 0.38% of the sale price divided by 12

Using all of these assumptions, the monthly payment is the sum of principal and interest; taxes; and insurance.

## Household Income Levels

Area Median Income, or AMI, is an important part of many housing affordability calculations. In Snohomish County, HUD uses the Seattle-Bellevue HMFA median income as AMI. This is recalculated every year, both as an overall average and by household size up to 8 individuals. Standard income levels are as follows:

- Extremely low income: <30% AMI
- Very low income: between 30 and 50% AMI
- Low income: between 50 and 80% AMI
- Moderate income: between 80 and 95% AMI
- Middle income: between 95 and 120% AMI

## Household Profiles

Information on households was gathered from Section 8 Housing Choice Voucher data. All names have been changed as well as many other nonessential details to protect privacy.